

# Congressional Record

## PROCEEDINGS AND DEBATES OF THE SIXTY-EIGHTH CONGRESS SECOND SESSION

### SENATE

TUESDAY, January 20, 1925

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, it is with gladness of heart that we realize that Thou art our Father. Thou dost speak to us in so many different ways, and always the accent of love is evident in Thy words of hope and help. Thou art ever ready to be our guide, and while we may not always recognize Thee, we do beseech of Thee that our hands and hearts may cooperate in fulfilling Thy good pleasure. Be near to us to-day. Help us to see light in Thy light and to walk in fellowship with Thee. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Farrell, one of its clerks, announced that the House had passed the bill (S. 3622) granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Bayou Bartholomew at each of the following-named points in Morehouse Parish, La.: Vester Ferry, Ward Ferry, and Zachary Ferry, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had passed without amendment the following bills and joint resolution of the Senate:

S. 625. An act to extend the time for the construction of a bridge across the White River at or near Batesville, Ark.;

S. 3292. An act granting the consent of Congress to the city of Hannibal, Mo., to construct a bridge across the Mississippi River at or near the city of Hannibal, Marion County, Mo.;

S. 3428. An act authorizing the construction of a bridge across the Ohio River to connect the city of Portsmouth, Ohio, and the village of Fullerton, Ky.;

S. 3610. An act authorizing the construction of a bridge across the Missouri River near Arrow Rock, Mo.;

S. 3611. An act authorizing the construction of a bridge across the Missouri River near St. Charles, Mo.;

S. 3621. An act granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Ouachita River at or near Monroe, La.;

S. 3642. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River at Kettle Falls, Wash.;

S. 3643. An act authorizing the construction of a bridge across the Ohio River between the municipalities of Ambridge and Woodlawn, Beaver County, Pa.;

S. 3733. An act to enlarge the powers of the Washington Hospital for Foundlings and to enable it to accept the devise and bequest contained in the will of Randolph T. Warwick; and

S. J. Res. 152. Joint resolution to accept the gift of Elizabeth Sprague Coolidge for the construction of an auditorium in connection with the Library of Congress, and to provide for the erection thereof.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 82. An act to amend an act entitled "An act to amend section 101 of the Judicial Code";

H. R. 7918. An act to diminish the number of appraisers at the port of Baltimore, and for other purposes;

H. R. 9825. An act to extend the time for the construction of a bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 5084. An act to amend the national defense act, approved June 13, 1916, as amended by the act of June 4, 1920, relating to retirement, and for other purposes;

H. R. 5939. An act to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation;

H. R. 9535. An act authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes;

H. R. 9827. An act to extend the time for the construction of a bridge across the Rock River in the State of Illinois;

H. R. 10030. An act granting the consent of Congress to the Harrisburg Bridge Co. and its successors to reconstruct its bridge across the Susquehanna River at a point opposite Market Street, Harrisburg, Pa.;

H. R. 10150. An act to revive and reenact the act entitled "An act to authorize the construction of a bridge across the Tennessee River at or near the city of Decatur, Ala.," approved November 19, 1919;

H. R. 10152. An act granting the consent of Congress to the Huntley-Richardson Lumber Co., a corporation of the State of South Carolina, doing business in the said State, to construct a railroad bridge across Bull Creek at or near Eddy Lake, in the State of South Carolina;

H. R. 10277. An act to extend the time for the construction of a bridge across Humphreys Creek at or near the city of Sparrows Point, Md.;

H. R. 10412. An act granting the consent of Congress to the Pittsburgh, Cincinnati, Chicago & St. Louis Railroad Co., its successors and assigns, to construct a bridge across the Little Calumet River;

H. R. 10413. An act to revive and reenact the act entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Monongahela River, at or near the borough of Wilson, in the county of Allegheny, in the Commonwealth of Pennsylvania," approved February 27, 1919;

H. R. 10467. An act granting the consent of Congress to the Huntington & Ohio Bridge Co. to construct, maintain, and operate a bridge across the Ohio River between the city of Huntington, W. Va., and a point opposite in the State of Ohio;

H. R. 10532. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River;

H. R. 10533. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River;

H. R. 10596. An act to extend the times for commencing and completing the construction of a dam across the Red River of the North;

H. R. 10645. An act granting the consent of Congress to the Valley Bridge Co. for construction of a bridge across the Rio Grande near Hidalgo, Tex.;

H. R. 10688. An act granting the consent of Congress to the State of North Dakota to construct a bridge across the Missouri River between Williams County and McKenzie County, N. Dak.;

H. R. 10689. An act granting the consent of Congress to the State of North Dakota to construct a bridge across the Missouri River between Mountrail County and McKenzie County, N. Dak.;

H. R. 10887. An act granting the consent of Congress to the State of Alabama to construct a bridge across the Coosa River at Gadsden, Etowah County, Ala.;

H. R. 10947. An act granting the consent of Congress to the county of Allegheny, Pa., to construct a bridge across the Monongahela River in the city of Pittsburgh, Pa.;

H. R. 11030. An act to revive and reenact the act entitled "An act authorizing the construction, maintenance, and operation of a private drawbridge over and across Lock No. 4 of the canal and locks, Willamette Falls, Clackamas County, Oreg.," approved May 31, 1921;

H. R. 11035. An act granting the consent of Congress to the county of Allegheny and the county of Westmoreland, two of the counties of the State of Pennsylvania, jointly to construct, maintain, and operate a bridge across the Allegheny River, at a point approximately 19.1 miles above the mouth of the river, in the counties of Allegheny and Westmoreland, in the State of Pennsylvania;

H. R. 11036. An act extending the time for the construction of the bridge across the Mississippi River in Ramsey and Hennepin Counties, Minn., by the Chicago, Milwaukee & St. Paul Railway Co.; and

H. R. 11168. An act granting the consent of Congress to S. M. McAdams, of Iva, Anderson County, S. C., to construct a bridge across the Savannah River.

#### CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Clerk will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Bingham	Ferris	King	Reed, Mo.
Borah	Fess	McCormick	Sheppard
Brookhart	Fletcher	McKellar	Shipstead
Broussard	Frazier	McKinley	Simmons
Bruce	George	McLean	Smith
Bursum	Glass	McNary	Smoot
Butler	Gooding	Means	Spencer
Cameron	Greene	Metcalf	Sterling
Capper	Hale	Neely	Swanson
Caraway	Harrell	Norbeck	Underwood
Copeland	Harris	Norris	Wadsworth
Couzens	Harrison	Odde	Walsh, Mass.
Cummins	Heflin	Overman	Walsh, Mont.
Curtis	Howell	Owen	Warren
Dial	Johnson, Calif.	Pepper	Watson
Dill	Jones, Wash.	Phipps	Wheeler
Edwards	Kendrick	Ralston	Willis
Fernald	Keyes	Ransdell	

Mr. BROUSSARD. I was requested by the junior Senator from Kentucky [Mr. ERNST] to announce that he is engaged in a committee meeting.

Mr. FLETCHER. I desire to announce that my colleague, the junior Senator from Florida [Mr. TRAMMELL], is unavoidably absent. I ask that this announcement may stand for the day.

The PRESIDENT pro tempore. Seventy-one Senators have answered to the roll call. A quorum is present.

#### TRANSPORTATION OF COTTON

The PRESIDENT pro tempore laid before the Senate a communication from the chairman of the Federal Trade Commission, transmitting, in response to Senate Resolution No. 252, submitted by Mr. SMITH and agreed to June 7, 1924, a report of the commission on cotton merchandising practices, which was referred to the Committee on Agriculture and Forestry.

#### PETITIONS AND MEMORIALS

Mr. WILLIS presented the petition of Journeymen Barbers Local Union No. 105, of Akron, Ohio, praying for the passage of the so-called Jones bill, being Senate bill 3218, to secure Sunday as a day of rest in the District of Columbia, and for other purposes, which was referred to the Committee on the District of Columbia.

Mr. FRAZIER (for Mr. LADD) presented a resolution of the Woman's Christian Temperance Union, of Doyon, N. Dak., favoring the adoption of the so-called child labor amendment to the Constitution, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented a resolution of the Church of the Brethren, of McPherson, Kans., praying for the participation of the United States in the World Court upon the terms of the so-called Harding-Hughes plan, which was referred to the Committee on Foreign Relations.

Mr. SHIPSTEAD presented the petition of 43 members of the Chippewa Tribe of Indians of Minnesota, praying for the passage of the so-called Ballinger Chippewa jurisdictional bill, which was referred to the Committee on Indian Affairs.

He also presented a memorial of sundry citizens of Glenwood, Minn., remonstrating against the passage of legislation providing for compulsory Sunday observance in the District of

Columbia, which was referred to the Committee on the District of Columbia.

He also presented a petition of 500 citizens, being members of the bar, all in the State of Minnesota, praying for the passage of legislation providing increased salaries to Federal judges, which was referred to the Committee on the Judiciary.

#### REPORTS OF COMMITTEES

Mr. GREENE, from the Committee on Banking and Currency, to which was referred the bill (S. 3895) to authorize the coinage of gold \$1 pieces and silver 50-cent pieces in commemoration of the one hundred and fiftieth anniversary of the Battle of Bennington and the independence of Vermont, reported it with amendments.

Mr. CAPPER, from the Committee on Claims, to which was referred the bill (S. 332) authorizing the Secretary of the Treasury to pay the Columbus Hospital, Great Falls, Mont., for the treatment of disabled Government employees, reported it with an amendment and submitted a report (No. 898) thereon.

Mr. OVERMAN, from the Committee on the Judiciary, to which was referred the bill (S. 3180) to amend section 194 of the Penal Code of the United States, reported it without amendment and submitted a report (No. 899) thereon.

Mr. BUTLER, from the Committee on the Judiciary, to which was referred the bill (H. R. 9162) to amend section 128 of the Judicial Code, relating to appeals in admiralty cases, reported it without amendment and submitted a report (No. 900) thereon.

#### BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RALSTON:

A bill (S. 4005) granting a pension to Adeline Bomgardner; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 4006) granting a pension to John W. Fleming; to the Committee on Pensions.

A bill (S. 4007) for the relief of the estate of Juan Martinez y Sanchez; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 4008) to amend section 5 of an act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914; to the Committee on Interstate Commerce.

A bill (S. 4009) granting an increase of pension to Virginia F. Stickney; to the Committee on Pensions.

A bill (S. 4010) to amend the national defense act of 1916, as amended; and

A bill (S. 4011) to amend section 3 of the act approved September 14, 1922 (ch. 307, 42 Stat. pt. 1, 840-841); to the Committee on Military Affairs.

By Mr. BUTLER:

A bill (S. 4012) granting an increase of pension to Eva Davis Cogswell (with an accompanying paper); to the Committee on Pensions.

A bill (S. 4013) to remit the duty on a carillon of bells to be imported for the Church of Notre Dame de Lourdes, Fall River, Mass.; to the Committee on Finance.

By Mr. HARRELD:

A bill (S. 4014) to amend the act of June 30, 1919, relative to per capita cost of Indian schools; and

A bill (S. 4015) to authorize the Secretary of the Interior to sell to the city of Los Angeles certain lands in California heretofore purchased by the Government for the relief of the homeless Indians; to the Committee on Indian Affairs.

By Mr. CAPPER:

A bill (S. 4016) for the relief of the Royal Holland Lloyd, a Netherland corporation of Amsterdam, the Netherlands (with accompanying papers); to the Committee on Claims.

By Mr. BRUCE:

A bill (S. 4017) for the relief of the Maryland Casualty Co., the United States Fidelity & Guaranty Co., of Baltimore, Md., and the Fidelity & Deposit Co. of Maryland (with an accompanying paper); to the Committee on Claims.

By Mr. WILLIS:

A joint resolution (S. J. Res. 170) authorizing the erection of a monument to General Wayne and legion at Defiance, Ohio, and markers for fort site and retaining walls to prevent erosion at confluence of Maumee and Auglaize Rivers; to the Committee on the Library.

By Mr. BUTLER:

A joint resolution (S. J. Res. 171) establishing a commission for the participation of the United States in the observance



of the one hundred and fiftieth anniversary of the Battle of Bunker Hill, authorizing an appropriation to be utilized in connection with such observance, and for other purposes; to the Committee on Appropriations.

#### AMENDMENT TO RIVER AND HARBOR BILL

Mr. SHIPSTEAD submitted an amendment intended to be proposed by him to the bill (H. R. 11472) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, which was referred to the Committee on Commerce and ordered to be printed.

#### EDWARD LAUTENSCHLAGER—WITHDRAWAL OF PAPERS

On motion of Mr. CURTIS (for Mr. McKINLEY), it was

*Ordered*, That the papers filed with the bill (S. 4948) for the relief of Edward Lautenschlaeger (Fifty-seventh Congress, first session) be withdrawn from the files of the Senate, no adverse report having been made thereon.

#### ELEVATION OF NAVAL GUNS

Mr. McKELLAR. I submit a resolution which I ask may lie on the table and be printed.

The resolution (S. Res. 309) was ordered to lie on the table and to be printed as follows:

Whereas it has been stated on the floor of the Senate by the chairman of the Committee on Naval Affairs that "a protest has been made by another power to this country against elevating the guns of our battleships, and until that protest has been settled I do not believe we should take affirmative action and vote to appropriate for the elevation of guns"; and

Whereas it is admitted by all competent naval authorities, as well as by the chairman of the Naval Affairs Committee, that the American Navy can not attain or maintain the 5-5-8 ratio accorded to it under the Limitation of Arms Agreement without elevating the guns on these 13 battleships; and

Whereas it has been reported by the Secretary of State that there is no legal reason under the Disarmament Conference Agreement of 1922 why our guns should not be elevated; and

Whereas it has been asserted that the protest against our elevating guns on these 13 battleships was made to this country on April 15, 1923, nearly two years ago: Now therefore be it

*Resolved*, That the President of the United States be, and is hereby, respectfully requested to inform the Senate, if not incompatible with the public business, what steps if any have been taken by the Executive Department to have said protest settled and determined; whether any suggestion has been made by the protesting nation or by the United States that the matter be submitted for arbitration; and at what time a decision in reference to the protest may be expected.

#### HOUSE BILLS REFERRED

The following bills were severally read twice by title and referred as indicated below:

H. R. 82. An act to amend an act entitled "An act to amend section 101 of the Judicial Code"; to the Committee on the Judiciary.

H. R. 7918. An act to diminish the number of appraisers at the port of Baltimore, and for other purposes; to the Committee on Finance.

H. R. 5084. An act to amend the national defense act approved June 13, 1916, as amended by the act of June 4, 1920, relating to retirement, and for other purposes; to the Committee on Military Affairs.

H. R. 5939. An act to facilitate and simplify the work of the Forest Service, United States Department of Agriculture, and to promote reforestation; to the Committee on Agriculture and Forestry.

H. R. 9535. An act authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes; to the Committee on Claims.

H. R. 9825. An act to extend the time for the construction of a bridge across Pearl River at approximately 1½ miles north of Georgetown, in the State of Mississippi;

H. R. 9827. An act to extend the time for the construction of a bridge across the Rock River in the State of Illinois;

H. R. 10030. An act granting the consent of Congress to the Harrisburg Bridge Co., and its successors, to reconstruct its bridge across the Susquehanna River at a point opposite Market Street, Harrisburg, Pa.;

H. R. 10150. An act to revive and reenact the act entitled "An act to authorize the construction of a bridge across the Ten-

nessee River at or near the city of Decatur, Ala.," approved November 19, 1919;

H. R. 10152. An act granting the consent of Congress to the Huntley-Richardson Lumber Co., a corporation of the State of South Carolina, doing business in the said State, to construct a railroad bridge across Bull Creek at or near Eddy Lake, in the State of South Carolina;

H. R. 10277. An act to extend the time for the construction of a bridge across Humphreys Creek at or near the city of Sparrows Point, Md.;

H. R. 10412. An act granting the consent of Congress to the Pittsburgh, Cincinnati, Chicago & St. Louis Railroad Co., its successors and assigns, to construct a bridge across the Little Calumet River;

H. R. 10413. An act to revive and reenact the act entitled "An act granting the consent of Congress to the county of Allegheny, Pa., to construct, maintain, and operate a bridge across the Monongahela River, at or near the borough of Wilson, in the county of Allegheny, in the Commonwealth of Pennsylvania," approved February 27, 1919;

H. R. 10532. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River;

H. R. 10533. An act granting the consent of Congress to the State of Washington to construct, maintain, and operate a bridge across the Columbia River;

H. R. 10596. An act to extend the times for commencing and completing the construction of a dam across the Red River of the North;

H. R. 10645. An act granting the consent of Congress to the Valley Bridge Co. for construction of a bridge across the Rio Grande near Hidalgo, Tex.;

H. R. 10688. An act granting the consent of Congress to the State of North Dakota to construct a bridge across the Missouri River between Williams County and McKenzie County, N. Dak.;

H. R. 10689. An act granting the consent of Congress to the State of North Dakota to construct a bridge across the Missouri River between Mountrail County and McKenzie County, N. Dak.;

H. R. 10887. An act granting the consent of Congress to the State of Alabama to construct a bridge across the Coosa River at Gadsden, Etowah County, Ala.;

H. R. 10947. An act granting the consent of Congress to the county of Allegheny, Pa., to construct a bridge across the Monongahela River in the city of Pittsburgh, Pa.;

H. R. 11030. An act to revive and reenact the act entitled "An act authorizing the construction, maintenance, and operation of a private drawbridge over and across Lock No. 4 of the canal and locks, Willamette Falls, Clackamas County, Oreg.," approved May 31, 1921;

H. R. 11035. An act granting the consent of Congress to the county of Allegheny and the county of Westmoreland, two of the counties of the State of Pennsylvania, jointly to construct, maintain, and operate a bridge across the Allegheny River, at a point approximately 19.1 miles above the mouth of the river, in the counties of Allegheny and Westmoreland, in the State of Pennsylvania;

H. R. 11036. An act extending the time for the construction of the bridge across the Mississippi River in Ramsey and Hennepin Counties, Minn., by the Chicago, Milwaukee & St. Paul Railway Co.; and

H. R. 11168. An act granting the consent of Congress to S. M. McAdams, of Iva, Anderson County, S. C., to construct a bridge across the Savannah River; to the Committee on Commerce.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 8372) to authorize the designation of deputy fiscal or disbursing agents, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House returned to the Senate, in compliance with its request, the bill (H. R. 6498) for the relief of May Adelaide Sharp.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker of the House had affixed his signature to the following enrolled bills, and they were thereupon signed by the President pro tempore:

S. 387. An act to prescribe the method of capital punishment in the District of Columbia;

H. R. 3847. An act granting a certain right of way, with authority to improve the same, across the old canal right of way between Lakes Union and Washington, King County, Wash.;

H. R. 9804. An act to amend the act entitled "An act to create a commission authorized under certain conditions to refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922, as amended February 28, 1923; and

H. R. 10982. An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1926, and for other purposes.

#### PAYMENT OF GERMAN REPARATIONS

Mr. BORAH. Mr. President, I ask permission to have inserted in the RECORD the statement of the Secretary of State made upon yesterday to the press with reference to the transactions which have been held at Paris with reference to the settlement of reparations.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The statement is as follows:

The portion of the agreement reached at the recent conference in Paris which relates to participation of the United States in the Dawes annuities has already been published in the newspapers. The full text of the agreement is on its way to this country and will be published as soon as received. In the meantime it may be said:

1. The conference of finance ministers held at Paris was for the purpose of reaching an agreement as to the allocation of the payments expected through the operation of the Dawes plan. In view of the inclusive character of the payments, it was necessary for the United States to take part in the conference in order to protect its interests.

2. The conference at Paris was not a body, agency, or commission provided for either by our treaty with Germany or by the treaty of Versailles. In taking part in this conference there was no violation of the reservation attached by the Senate to the treaty of Berlin.

3. The agreement reached at Paris was simply for the allocation for the payments paid under the Dawes plan. It does not provide for sanctions or deal with any questions that might arise if the contemplated payments should not be made. With respect to any contingency the agreement at Paris puts the United States under no obligation, legally or morally, and the United States will be as free as it ever was to take any course of action it may think advisable.

4. The agreement at Paris neither surrenders nor modifies any treaty rights of the United States.

#### HOUSE BILL REFERRED

The bill (H. R. 8372) to authorize the designation of deputy fiscal or disbursing agents, and for other purposes, was read twice by its title and referred to the Committee on Finance.

#### THOUGHT FOOD FOR THE FARMER

Mr. FERRIS. Mr. President, I have compiled from the CONGRESSIONAL RECORD a few facts and figures of Republican and nonpartisan origin which deserve the candid consideration of farmers, and I entertain the hope that they may be brought to the attention of the farmers in some fashion that will arouse their interest in their own well-being. If the situation depicted by these facts and figures and findings were the reverse of what it is, this city would be so filled with representatives and lobbyists from the steel, textile, and a few other industries that one would have to go across the river into Virginia to sneeze. Members of the Congress would be flooded with letters and telegrams, and all sorts of propaganda would be put to work to correct it. How long the farmer will peacefully submit to the legalized robberies that are constantly being perpetrated upon him remains for him to determine.

I ask unanimous consent that the excerpts which I have compiled from the RECORD may be printed at this point in my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

IN THE HOUSE OF REPRESENTATIVES,  
Saturday, May 31, 1924.

Mr. STRONG of Kansas. I wish to present a statement prepared by P. T. Strom, of Republic City, Kans., who lives in a rich agricultural county of my district, where the farmers diversify their crops and produce cattle, hogs, poultry, cream, and eggs, which will show our city and New England friends what is the matter with the farmer and why of all the classes of this Nation he is unable to prosper as he deserves to prosper, and why the purchasing value of the farmer's dollar is worth only about 60 cents, as compared with the value of that of all other industries.

A comparison of the 1914 buying and selling prices, and 10 years later, 1924, buying and selling prices from the Kansas farmers' standpoint

Implements	1914	1924
Hand corn sheller.....	\$8.00	\$17.50
Walking cultivator.....	18.00	38.00
Riding cultivator.....	25.00	62.00
1-row lister.....	36.00	89.50
Sulky plow.....	40.00	75.00
3-section harrow.....	18.00	41.00
Corn planter.....	50.00	83.50
Mowing machine.....	45.00	95.00
Self-dump hay rake.....	28.00	55.00
Wagon box.....	16.00	36.00
Farm wagon.....	85.00	150.00
Grain drill.....	85.00	165.00
2-row stalk cutter.....	45.00	110.00
Grain binder.....	150.00	225.00
2-row corn disk.....	38.00	95.00
Walking plow, 14-inch.....	14.00	28.00
Harness, per set.....	40.00	75.00

[From the CONGRESSIONAL RECORD, March 15, 1923, p. 5828]

#### THE FARMER'S DOLLAR

DEPARTMENT OF AGRICULTURE,

Washington, February 27, 1923.

Hon. EWIN L. DAVIS,

House of Representatives.

DEAR MR. DAVIS: I am pleased to transmit herewith data relative to the purchasing power of the farm dollar, as requested in your letter of February 17.

A satisfactory index number of the purchasing power of the farm dollar—1890 to date—has not been prepared. The Joint Commission of Agricultural Inquiry prepared a series of index numbers from 1890 to 1920, and we have continued it to include 1922. A copy is transmitted herewith.

Sincerely yours,

HENRY C. WALLACE, Secretary.

(Inclosure.)

The purchasing power of the farmer's dollar since 1890

(Includes food and farm products with all other products)

	Cents
1890.....	83
1891.....	89
1892.....	87
1893.....	87
1894.....	85
1895.....	85
1896.....	81
1897.....	86
1898.....	88
1899.....	83
1900.....	86
1901.....	92
1902.....	95
1903.....	88
1904.....	93
1905.....	90
1906.....	88
1907.....	90
1908.....	93
1909.....	100
1910.....	96
1911.....	97
1912.....	101
1913.....	100
1914.....	105
1915.....	103
1916.....	97
1917.....	107
1918.....	112
1919.....	112
1920.....	96
1921.....	84
1922.....	89

1913-1922, revised.

Source: The Agricultural Crisis and Its Causes. Report of the Joint Commission of Agricultural Inquiry, part 1.

Mr. GOODING. I ask to insert in the RECORD at this point, without reading, a table showing the average annual wholesale prices in 1914 and 1923 and the percentage of increase.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table is as follows:

#### Average annual wholesale prices

	1914	1923	Per cent
Granulated sugar, per pound.....	\$0.047	\$0.084	78
Cotton goods, viz:			
Print cloths, per yard.....	.030	.075	150
Calico standard, per yard.....	.049	.10	104
Percale, S, per yard.....	.068	.148	118



## Averaged annual wholesale prices—Continued

	1914	1923	Per cent
Cotton goods, viz.—Continued.			
Drillings, brown, peperell, per yard	\$0.079	\$0.178	116
Flannels, colored, per yard	.102	.215	110
Ginghams, Amoskeag, per yard	.063	.143	128
Muslin, bleached, fruit of the loom, per yard	.091	.185	110
Sheeting, brown, peperell, per yard	.069	.152	120
Sheeting, bleached, peperell, per yard	.253	.505	106
Ticking, A. C. A., per yard	.133	.291	116
Blankets, 2 pounds to pair, per pair	.640	1.468	131
Woolen goods, viz:			
Flannels, Ballard Vale, per yard	.455	1.017	122
Suiting, clay worsted, 16-ounce, per yard	1.283	3.240	154
Suiting, Middlesex, per yard	1.459	3.623	148
Suiting, serge, 11-ounce, per yard	1.078	2.604	140
Dress goods, French serge, per yard	.805	.753	149
Dress goods, storm serge, per yard	.600	1.024	104
Dress goods, poplar cloth, per yard	.190	.363	91
Dress goods, Sicilian cloth, per yard	.281	.633	124

Mr. GOODING. Mr. President, the great losses that the farmers have sustained in this country is reflected in the bank failures that have taken place since 1920. I have before me a letter from the Comptroller of the Currency showing the bank failures in this country as far back as 1870 up to and including 1923. During the panic of 1873 for that year there were 4 national banks and 33 State banks that closed their doors. In 1874, 9 national banks and 40 State banks closed their doors. In 1875, 3 national banks and 14 State banks closed their doors. In the panic of 1893 during that year 65 national banks and 261 State banks closed their doors. In 1894, 21 national banks and 71 State banks closed their doors. In 1895, 36 national banks and 115 State banks closed their doors. From 1870 up to and including 1920, a period of 51 years, 562 national banks and 2,488 State banks closed their doors. In 1921, 28 national banks and 338 State banks closed their doors. In 1922, 33 national banks and 364 State banks closed their doors. In 1923, 37 national banks and 237 State banks closed their doors. I ask that the letter from the comptroller may be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

COMPTROLLER OF THE CURRENCY,  
Washington, February 26, 1924.

MY DEAR SENATOR: I have your letter of this date requesting to be advised of the number of bank failures, National and State, for each year as far back as 1870, and take pleasure in furnishing the following information for fiscal years ended June 30, on account of the fact that the only figures at command of this office with respect to banks other than national are for years ended June 30:

Year	Number of national bank failures	Number of State bank failures
1870	1	1
1871	None.	7
1872	5	10
1873	4	33
1874	9	40
1875	3	14
1876	8	37
1877	9	63
1878	11	70
1879	9	20
1880	5	10
1881	None.	9
1882	3	19
1883	1	27
1884	6	54
1885	9	32
1886	6	13
1887	5	19
1888	12	17
1889	4	15
1890	6	30
1891	16	44
1892	17	27
1893	65	261
1894	21	71
1895	36	115
1896	27	78
1897	38	122
1898	7	53
1899	12	26
1900	6	32
1901	11	56
1902	2	43
1903	12	26
1904	20	102
1905	22	57
1906	8	37
1907	7	34
1908	24	132

Year	Number of national bank failures	Number of State bank failures
1909	9	60
1910	6	28
1911	3	56
1912	8	55
1913	6	40
1914	21	96
1915	14	110
1916	13	41
1917	7	35
1918	2	25
1919	1	42
1920	5	44
1921	28	330
1922	33	364
1923	37	237

I trust this information will serve the purpose for which requested.

Very truly yours,

Hon. F. R. GOODING,

United States Senate, Washington, D. C.

HENRY M. DAWES, Comptroller.

#### THE TARIFF AND THE FARMER—MORE COST THAN GAIN IN TARIFF—NET LOSS TO AGRICULTURE IS ESTIMATED AT \$300,000,000

Gross cost to farmers	\$426,000,000
Gains to farmers as producers	125,000,000
Net cost to agriculture	\$301,000,000

[Inserted in the CONGRESSIONAL RECORD of March 4, 1923, by request of Hon. ANDREW A. JONES of New Mexico]

[From the American Farm Bureau Federation Weekly News Letter of January 11, 1923]

#### MORE COST THAN GAIN IN TARIFF—NET LOSS TO AGRICULTURE IS ESTIMATED AT \$300,000,000

This tariff study is submitted by the department of research as a final summary of conclusions on the tariff situation.

This study of the tariff was undertaken for the purpose of appraising the effect of a protective tariff on the income and expenditures of the farmers of the country, having special reference to the tariff of 1922. This involved two tasks—first, to determine to what extent farmers as producers are benefited by import duties on their own products through resultant increases in market prices; and second, to estimate the increased cost of commodities purchased by farmers, whether agricultural or industrial products, attributable to the existing tariff. In the foregoing articles of the series an analysis of the relation of each of the more important farm products to the tariff has been made; a general discussion of the effects of import duties on prices of the products of other industries has been presented. In the present article a summary of conclusions will be set forth and an estimate of tariff gains and costs based on a final scrutiny of the data at hand will be offered, which, it is believed, indicates reliably, though roughly, the net financial significance of the new tariff for the general farming community.

For the purpose of this presentation the tariff schedules may best be divided into two groups: Those relating to farm products and those relating to other commodities. In the first group, farmers generally are interested both as producers and as consumers; in the second group they are interested directly only as consumers.

#### AGRICULTURAL SCHEDULES INVOLVE BOTH GAINS AND LOSSES

Taking up first the schedules relating to agricultural products, it is to be noted that certain of the duties carried will increase the value of products to the benefit of those farmers who produce the given product, and thereby increase the cost of living or of operation for other farmers purchasing that product in raw or manufactured state. On the whole, however, it is estimated that gains to producers will outweigh increases to farm consumers of farm products. The accompanying table presents the figures in detail for each group of commodities accorded protection in the present law.

The bases of these various estimates and a résumé of general conclusions regarding each line of product—derived chiefly from the foregoing special article of this series—follow:

Table showing estimated results of tariff on farm products

	Gain	Cost to farmers	Cost to all consumers
Wheat	\$10,000,000	\$3,000,000	\$12,000,000
Other cereals	1,000,000	500,000	1,500,000
Sugar	45,800,000	48,100,000	192,400,000
Dairy and poultry products	3,000,000	—	9,000,000
Wool	37,500,000	27,300,000	91,000,000
Cattle	1,500,000	1,000,000	1,800,000

Table showing estimated results of tariff on farm products—Continued

	Gain.	Cost to farmers	Cost to all consumers
Tobacco	\$10,000,000	\$5,300,000	\$53,000,000
Flaxseed and linseed oil	3,500,000	2,700,000	9,000,000
Miscellaneous products:			
Lemons	5,000,000		
Almonds	500,000		
Walnuts	1,500,000	2,000,000	17,000,000
Miscellaneous fruits and vegetables	1,000,000		
Hemp	500,000		
Clover seed	4,000,000	5,000,000	5,000,000
Total miscellaneous	12,500,000	7,000,000	22,000,000
Total farm products	124,800,000	94,900,000	391,700,000

Net gain to agriculture, \$29,900,000.

## THE WHEAT TARIFF

As the United States is an exporter of wheat the general impression is that an import duty is useless as a means of increasing domestic prices. Little exception can be taken to this statement of the case as regards winter wheat. A complication arises, however, in the fact that hard spring wheat is at times imported as a premium grade from Canada for mill consumption in this country. An import duty is probably in some years of material benefit to American spring-wheat growers. The facts regarding imports, exports, and consumption of this product are not available. The general situation which determines the price for it, however, seems to be this: Under conditions of free trade the price of spring as well as winter wheat is based on the Liverpool quotation; neither American nor Canadian spring crops can sell much above the price prevailing at Liverpool, given freedom of shipment across the border, though they may sell either above or below winter wheat, depending on the relative volume of spring and winter production. In the second place, production of spring wheat in the United States has been practically stationary for the past 20 years, which probably accounts for the fact that in three out of the last six years quite considerable quantities of Canadian wheat have been imported and ground, and presumably consumed in this country. Now, given such conditions, there will be a natural tendency for prices of American spring wheat to rise above the Liverpool base whenever the crop of that grain falls below the average or when the crop of winter wheat or of Canadian spring wheat is unusually large. That is, there will be in the United States a local relative shortage of spring wheat not existing in the world market, with consequent tendencies toward bulging prices. Free entry of Canadian grain levels down this tendency and the existence of a tariff barrier against that grain allows the domestic situation to secure its logical effect.

## CROP OF 1921 AFFECTED

There is evidence that the tariff did maintain the price of northern spring wheat above world levels in the season of 1921 and 1922, as it remained consistently above Canadian prices for Manitoba as well as above domestic prices for red winter. This year, with a very large crop of spring wheat, the effect of the duty is apparently slight or probably entirely nil. The determination of a definite figure to represent benefits to growers is largely guesswork owing to the complexity and obscurity of the factors involved. The amount here fixed upon, namely, \$10,000,000 per year, can only be taken to indicate that the sum is small compared to the total value of output, taking the average of one year with another. The cost to consumers in the form of higher prices for flour and mill feed is placed at \$12,000,000, allowance being made for the increased cost of imported wheat. Of this amount \$3,000,000, or 25 per cent, is allocated to farmers as consumers.

## OTHER CEREALS

Import duties on corn, oats, rye, barley, and rice are of little significance. Growers of buckwheat probably benefit somewhat from the duty on Canadian grain brought in mainly for feed. The duty on corn may occasionally be a minor factor when conditions favor imports from Argentina, which is not the normal situation, as that country's surplus will usually find a better market in Europe; and the tariff on oats and barley will probably influence prices seasonally and locally along the Canadian border to a small degree. Gains to producers are estimated roughly at \$1,000,000 per annum; cost to consumers, including increased cost of imported cereals, in which rice from the Orient figures most largely, at \$1,500,000; and cost to farm consumers at \$500,000.

## SUGAR

There can be no question that the duty on sugar increases the price of that commodity to about the extent of the duty on Cuban 96° centrifugals, which was fixed in conference at 1.7648 cents per pound. If it be assumed that the whole of this increase accrues to the growers, the addition to the value of their average production is \$45,800,000 annually. There is, as pointed out in the article dealing with the sugar tariff, some question whether the manufacturers may not be able to retain some of this increment; but as there is no basis for estimating

any definite proportion going to manufacturers the whole amount is allocated to growers' gains. The cost to consumers, based on 1921 consumption figures, is \$192,400,000, of which burden it is estimated that farmers as a group bear 25 per cent, making the increased cost of sweets consumed on the farm \$48,100,000. In these latter estimates it is assumed that only the amount of the Cuban duty is passed on to the consumer. As a matter of fact, the full rate of duty, which is 25 per cent higher than the Cuban preferential rate, applies to imports of refined sugar, as none is imported in the refined state from Cuba. Imports of refined sugar are usually negligible, and this excess protection accorded the manufacturer is here ignored, as its benefit can only be secured through price-fixing agreements, as to the existence of which nothing is here affirmed.

## DAIRY AND POULTRY PRODUCTS

The duties on this group of products are of slight importance to agriculture. The rates on milk and cream will probably influence materially prices received in the Boston territory. The duty on dried and frozen eggs will affect egg prices in New York, specially in the early spring months and on the grades known as breaking stock. The cheese duty will increase the prices of European types, but this will be of no particular significance to the farmer, as he produces very little of such cheeses. The estimate of a gain of \$3,000,000 to producers is based on the receipts of milk and cream at Boston and of eggs at New York during the first six months of the year. The \$9,000,000 cost-to-consumer figure includes increased cost of the products just named as well as the cost of the duty on imported and domestic European cheese.

## THE WOOL DUTY

Roughly speaking, the duty of 31 cents per clean pound is added to the price of wool in our markets. This is equivalent to about 12.7 per grease pound on the average of domestic wools and means an increase of about \$37,500,000 in growers' receipts, on the assumption that the farm price will be increased in the same amount as the market price. Further assuming that the exact equivalent of the duty is shifted onto the final consumer—which is probably more or less than the truth, according to market conditions—the cost to consumers is placed at \$91,000,000; that is, 31 cents per pound on the total consumption of scoured wool. The farmer probably consumes his per capita share of wool, and his increased clothing cost is accordingly figured at 30 per cent of the total cost, or \$27,300,000.

## LIVESTOCK AND MEATS

Under present conditions import duties on animals and packing-house products can have very little influence on the markets. In the earlier study of the subject it was concluded that the duty on Canadian cattle would probably have some effect on the purely local fluctuations in feeder cattle at St. Paul and slaughter stuff at Buffalo. It has been rather arbitrarily assumed that the operation of the duties will stimulate prices to the extent of one-fourth to one-half a cent a pound in the two markets named and on the particular classes mentioned. From the statistics of feeder movement at St. Paul and slaughter at Buffalo the benefits to producers are computed to be about \$1,500,000 and the increased cost to consumers \$1,800,000. Consumers of meat locally in the Buffalo market will feel the effect of whatever price increases result there, while the Corn Belt feeders will shoulder the burden of any increase in cost of feeder cattle at St. Paul. The latter item, therefore, \$1,000,000, is charged as a cost to farm consumers.

## TOBACCO

The export and manufacturing types of tobacco, constituting the bulk of the crop, are not subject to tariff influences. Cigar leaf can be but slightly affected because the import cigar tobaccos are of a different quality and not truly competitive. Connecticut wrappers are probably increased substantially in price by the \$2.10 duty on Sumatra leaf with which they come in competition. How much the increase may be there is no way of determining. As what is believed to be a reasonable guess, based on general considerations of rates of duty, production, and price quotations, the probable benefit to producers is placed at \$10,000,000. As the duty on some 85,000,000 pounds of Cuban Sumatra and Turkish tobaccos imported annually is undoubtedly added to the selling price of cigars and cigarettes, the cost of the tobacco duty to the consumer is much higher than the gain to producers, amounting, on the basis of duties assessed, to \$53,000,000. Of this, 10 per cent is assigned to farmers as consumers of cigars and cigarettes.

## OILS AND OIL-BEARING MATERIALS

Whatever might be the effect of a general tariff against vegetable oils, the law as actually passed can not materially benefit any farm producers save flaxseed growers. The flaxseed duty of 40 cents per bushel will no doubt be genuinely protective.

The effect on prices, however, will be somewhat less than the amount of the duty owing to the drawback privilege whereby crushers secure a refund of a portion of the duty on the exportation of linseed meal or cake made from imported grain. Comparative prices in the United



States and Canada over a period of several years indicate that the differential in favor of the American market equals approximately four-fifths of the amount of the duty. This, under the new law, is 32 cents per bushel—as the nominal rate is 40 cents—which on an average production of 11,000,000 bushels gives us \$3,500,000 as the apparent benefit to growers. Applying the same rate of increase on the linseed-oil consumption of the country, the indicated cost is roughly \$9,000,000, of which 30 per cent is charged as a cost to farm consumers. It should perhaps be noted that while 32 cents per bushel or thereabouts is the effective rate as regards the influence on the flaxseed market, it may not be the effective rate of increase in linseed-oil prices. This rate on the seed is equivalent to about 1.7 cents per pound on oil. The actual rate on imported oil is 3.3 cents per pound. If the crushers are able to take advantage of the latter rate, the cost of the duty to consumers will be obviously about twice as much as the above estimate.

#### MISCELLANEOUS PRODUCTS

Among the minor farm products are several which will be more or less influenced by the tariff. These include lemons, raisins, almonds, walnuts, clover seed, onions, and hemp. Gross increases in producers' receipts are estimated at \$12,500,000. In estimating increases in consumption costs imports not only of these products but of others not commercially produced in this country, such as dates, figs, pineapples, filberts, etc., must be taken into consideration. The figure is placed at \$22,000,000, taking into consideration production, imports, and rates of duty. Cost to farm consumers is figured at \$7,000,000, farmers being small purchasers of most of the commodities under consideration, but the sole consumers of clover seed on which they must pay higher prices not only for domestic but for imported seed.

Considering the agricultural schedules as a whole, the estimated gains to producers is \$124,000,000, and the cost to farmers as consumers \$94,900,000, leaving a net gain to agriculture from the tariff on its own products of \$29,700,000. The total of costs to consumers of farm products is \$391,900,000. These figures, while admittedly rough, probably approximate the truth.

To estimate the effects of the tariff on the market prices of other commodities, as has been done for agricultural products, is far from a simple matter. It can not be carried out to an unlimited extent by the method which has been followed in the case of farm products; namely, by a detailed analysis of competitive conditions, prices, production, and consumption for all the individual products of all branches of an industry. To undertake such an investigation to determine the effects of the tariff in all industries—manufacturing, mining, and so forth—that operate in the United States would be far beyond the resources of this department; and no adequate inquiry of that character has been made by any agency thus far. Hence, if any attempt to estimate in dollars and cents the cost of the tariff to the farmer as consumer of the products of other industries be made it must be by recourse to some other method.

#### QUESTION OF COST TO CONSUMERS

Several estimates of the cost of the tariff to consumers have been put forth, from which the total cost to farmers might be derived by estimating his share in consumption of dutiable commodities. No particular basis for these estimates seems, however, to be discoverable and they are therefore ignored. The only basis that appears to be available for any reasonably safe estimate of the sort is the cost-to-consumer figure above presented for agricultural products. The cost of such commodities is increased by import duties to the extent of some \$392,000,000 according to our estimates. This is a trifle over 2 per cent of the average total value of the output of the farms. It might be assumed that the cost of other products would be increased in like ratio, whereby the increased cost to consumers could be computed. Such an assumption, it is believed, would be a minimum.

The assumption is here made, and the cost is so computed. The average value of gross output of all industries other than agriculture is about \$65,000,000,000; applying the ratio ascertained for farm products the result is \$1,323,000,000, which by this computation is the cost of the tariff on other than farm products to American consumers.

#### FARMERS' SHARE 25 PER CENT

Now, as to the portion of this tax which falls upon the farmer consumer. In the estimates relating to agricultural products it will be noted that the share of the cost-to-consumers figure allocated to farm consumers is a little under 25 per cent of the total. The 25 per cent share seems reasonable on other grounds. The income of farmers is estimated by the National Bureau of Economic Research as 18 per cent of the national income. Their purchasing power would therefore be 18 per cent of that of the whole country; as purchasers of ordinary consumers' goods at retail, however, they would probably buy close to their per capita share, which is 30 per cent, for a much smaller portion of farm income is spent for railroads, factories, industrial materials, and equipment, in the form of corporate securities, than is true of business profits. Furthermore, consumers' goods, where the farmers' largest purchases lie, are probably more affected by the tariff than are producers' goods, most of which are either on the

free list or not susceptible to tariff influences. Moreover, the item of house rent absorbs part of the city man's income.

The farmers' share in the cost of the tariff on other than farm products is therefore placed at 25 per cent of the total, or \$331,000,000. Subtracting his net gain on the agricultural schedules, which amounts to \$30,000,000, the remainder is \$301,000,000, which represents the net cost of the tariff to agriculture. Combining the agricultural and nonagricultural schedules the figures are, in tabular form, as follows:

#### Summary of benefits to farmers and minimum cost to consumers

	Average value of output 1917-1921	Tariff cost to consumers	Cost to farm consumers
Farm products.....	<sup>1</sup> \$19,245,000,000	\$392,000,000	\$95,000,000
Products of all other industries.....	<sup>2</sup> 65,000,000,000	1,323,000,000	331,000,000
Total.....	84,245,000,000	1,715,000,000	426,000,000

<sup>1</sup> U. S. Department of Agriculture.

<sup>2</sup> Partly estimated.

Gross cost to farmers.....	\$426,000,000
Gains to farmers as producers.....	125,000,000
Net cost to agriculture.....	301,000,000

It is recognized that these figures are liable to a large degree of error. They are, however, based in part on a careful detailed analysis (that relating to farm products) and on a further assumption that seems reasonable as a minimum, namely, that industrial products are affected by the tariff to the same degree as are agricultural products. The chief weakness in the method is in deriving a ratio of cost of the tariff from value of total output, output being taken as roughly indicative of consumption. The figures of gross production contain a large amount of duplication both within the agricultural and industrial groups and between agriculture and industry. Production figures are therefore somewhat ambiguous; but the duplications will offset each other more or less, since they occur in both agricultural and industrial returns. That the estimate is likely to err below rather than above the truth is indicated by two further considerations. First, no allowance has been made in any of our estimates for possible "pyramiding" of duties between producer or importer and final consumer. It is most probably true that the original tariff increment to the price is, in many cases, increased as the goods pass through the channels of trade; this would naturally occur where commodities are handled on commission and, perhaps, to greater or less extent in the ordinary processes of manufacturing, wholesaling, and retailing. It has been estimated by some observers that the cost of import duties is "pyramided" to the extent of two or three fold. Such an assumption seems excessive, and there is no basis of actual measurement; the whole question has been ignored by this department in preparing estimates. In the second place, farm products enter into commerce relatively much less than industrial products.

If the ratio of tariff costs could be based on actual sales instead of gross production, the resulting figure for industrial products would undoubtedly be higher than the one above given.

#### SENATOR BORAH'S OBSERVATION

From the speech of Mr. BORAH on the agricultural problem reported in the RECORD of January 12, 1925, I quote the following:

In my opinion, fundamentally, the conditions affecting the farmer have not changed at all. I think the problems which confront us with reference to agriculture, if the farmer is to have any permanent relief, are the same as they were prior to the time the votes were cast in November. It is quite true that there has been in some localities to some extent a betterment of conditions, owing to an increase in the prices of certain articles; but, as I shall undertake to show a little later, that is due to transient causes and may as suddenly disappear as it has appeared. But the great, underlying, fundamental questions which have to do with the restoration of agriculture to its proper place in the industrial life of America have not changed, to my mind, in the slightest.

#### PROPOSED INVESTIGATION OF POWER COMPANIES

The PRESIDENT pro tempore. The Chair lays before the Senate the resolution submitted by the Senator from Nebraska [Mr. NORRIS], coming over from a previous day. It will be stated.

The READING CLERK. A resolution (S. Res. 286) directing the Federal Trade Commission to investigate the alleged Power Trust in the United States and its financial relationship with certain other public-utility companies and associations.

The PRESIDENT pro tempore. The question is upon agreeing to the resolution.

Mr. PEPPER. Mr. President, I have given cursory attention to the resolution. It impresses me as one of serious importance. It contemplates an investigation which I apprehend will be most expensive and most time consuming. I venture to say that the Senate ought not to be asked to act on the measure until we have been advised on at least three points. I think we ought to know whether there is reasonable or probable cause for an investigation which will expend millions of public money and employ the whole time of multitudes of public servants. In the second place, if there is such an interrelation of public utilities in the several States as the resolution implies, I think we ought to be advised whether that is a matter for cognizance by the public utility commissions of the States or whether it affects or restrains interstate commerce in such fashion as to be subject to our inquiry and control. Finally, it seems to me that we ought to find out whether this costly and time-consuming investigation is one which the Senate ought to sponsor and authorize or whether it is a matter upon which we should also have the views of the House.

I accordingly move that the pending resolution be referred to the Committee on Interstate Commerce. I want to have advice from one of our standing committees before I take the responsibility of voting on a proposal so important.

Mr. NORRIS obtained the floor.

Mr. WALSH of Montana. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. ODDIE in the chair). The Senator from Montana will state the parliamentary inquiry.

Mr. WALSH of Montana. I inquire what is the order of business?

The PRESIDING OFFICER. Senate Resolution 286, submitted by the Senator from Nebraska.

Mr. WALSH of Montana. I inquire how it comes before the Senate?

The PRESIDING OFFICER. It is a resolution coming over from a preceding day.

Mr. REED of Missouri. Let the resolution be read so we may know what is the subject of discussion.

Mr. NORRIS. All right; I have no objection. Let the resolution be read.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The reading clerk read the resolution (S. Res. 286) submitted by Mr. NORRIS December 29, 1924, as follows:

Whereas it has been alleged on the floor of the Senate and in the public press that a Power Trust exists in the United States, and that many public-utility and power companies are wholly or partly controlled through stock ownership, interlocking directorates, and various other means and methods by various combinations of water-power companies, large manufacturing and industrial corporations, and by banking and other institutions: Now therefore be it

*Resolved*, That the Federal Trade Commission be, and it is hereby, directed to investigate and report to the Senate the present degree of concentration and interrelation in the ownership, control, direction, financing, and management through legal or equitable ownership of stocks, bonds, or other securities, or instrumentalities, or through interlocking directorates, or holding companies, including trade associations, or through any other device or means whatsoever, of power companies, transmission companies, public-utility companies, and other companies and associations (not including telegraph companies and common carriers by rail, water, or air), engaged in what is commonly known as the public-utility field of business; and also particularly to investigate and report, together with other and pertinent facts, the extent to which banks and trust companies and the principal companies manufacturing electrical equipment and apparatus, or owning important patents for the manufacture of such equipment and apparatus, and other important industrial companies, or the officers, directors, and stockholders thereof, have a legal or equitable interest in the stock, bonds, or other securities of any of the public-utility and holding companies and associations above referred to, or through interlocking directorates or otherwise exercise partial or complete control or direction of the financing and management of such companies and associations, or have contractual relations with any of them affecting the management or scope of their business.

*Resolved further*, That the President of the United States be, and he is hereby, requested to direct the Secretary of the Treasury to permit the said Federal Trade Commission, in making such investigation, to have access to all official reports and records in any or all of the bureaus of the Treasury Department.

Mr. NORRIS. Mr. President, when I introduced this resolution I had not anticipated that there would be any possible objection to its adoption. It developed in the so-called Muscle Shoals controversy that there were a great many indications of a far-reaching interlocking by stock ownership and interlocking directorates of a great many power companies and

electric companies. I have already placed before the Senate, and other Senators have likewise placed before the Senate, evidence which it seems to me ought to convince any reasonable man that such a monopoly or combination exists. So far that has not been disputed. The subject was debated at considerable length, and, so far as I know, no one in the Senate has even intimated that such a combination does not exist.

It is a common practice here, when there is at least reasonable ground to believe that such a state of affairs exists, for a resolution providing for an investigation either by a committee or some other organization equipped to undertake it to be introduced for the making of the necessary inquiry in order to ascertain the information and to report. That has been true, so far as I now remember, without an exception. I can not understand, Mr. President, when, as in this case, for hours and hours the Senate has been given evidence showing the names of corporations and individuals that interlock and spread all over the country, why there should be opposition to the adoption of this resolution.

I stated at the time I introduced the resolution that I had been compelled to resort to my own resources in order to ascertain the extension of this monopoly; that I had met with a great deal of difficulty and desired to have some official organization of the Government make an investigation and file a report that would give it an official standing.

There is nothing sought but the truth; there is no attempt in the resolution to bring out anything but what is a fact; and the result of such an investigation ought not to hurt anybody.

I had prepared for me a map of the United States showing, as far as my investigation could go, the interlocking condition of the General Electric Co.

I hold that map in my hand. [Exhibiting.] I wish Senators to look at it. I think it is correct. I do not think, however, it covers all of the interlocking devices, because I happen to know of some of them that are not indicated on the map. I think it is not a complete map showing the manner in which this one company, the General Electric Co., spreads its branches all over the United States.

Neither does this map pretend to show the extension of this monopoly to foreign countries. I have produced evidence in the Senate showing that this company has dozens and dozens of organizations in different parts of the world which are subsidiary to the General Electric Co. or to some of its subsidiaries.

What I seek to accomplish by the resolution is to ascertain whether such a combination exists. I have charged it; others in the Muscle Shoals debate have charged it. Do we want to cover it up? Do we want to say there is nothing to it?

Mr. President, although I dislike to take up the time of the Senate, I have on my desk here the report of the general legislative committee on housing of the New York Legislature, known as the Lockwood committee report. It develops—and I do not think the fact has been shown here as yet—that the General Electric Co., charged by the Government of the United States with being a trust and a monopoly in a Federal court at Toledo, Ohio, plead guilty, and this report says the charges made in the bill of the Government to which this defendant plead guilty are far-reaching and of the most damaging kind.

Mr. KING. Mr. President, will it bother the Senator if I ask him a question?

Mr. NORRIS. No.

Mr. KING. I should be very glad to have the Senator elaborate the point he is now making, but before proceeding to do that, I should like to inquire of the Senator just exactly the meaning—

Mr. NORRIS. If the Senator will allow me, I should rather take up the question which he has in mind after I complete this portion of my statement.

Mr. KING. I do not wish to interrupt the line of the Senator's thought.

Mr. NORRIS. I realize that if this debate is not concluded before 2 o'clock the resolution will go over. I do not want to take the time of the Senate; I did not anticipate that anybody would expect me to do so because of the evidence which has already been produced, and I wish to say frankly to the Senate that all I ask is a vote. I am going to do the best I can to get a vote.

If the resolution shall go to a committee and shall be buried in a pigeonhole, I will still seek to have a vote on it at this session of Congress. I have no right to ask that the resolution shall be adopted, but I do have a right, especially after all the evidence that has been produced in the debate, to ask that the Senate shall pass on the resolution. If Senators want to vote it down, that will end it, of course; but I do not want any



method adopted to prevent a vote. I have no disposition to curtail debate and I do not care how long the debate may run, but it occurs to me that much more than a prima facie case has been made in the debate on the Muscle Shoals bill. I tried to have the resolution passed at that time. The proposed investigation is not going to cost millions of dollars; it is not going to be a very expensive investigation, as I understand. All those who will undertake the investigation will have to do will be to examine records. There will not be much else for them to do.

Now, referring to the Lockwood committee report, they say, on page 131:

The General Electric Co.—

That is the head of this whole concern—

has almost a complete monopoly of the business of manufacturing, selling, and distributing to the consumer all the electric lamps that are used in the United States and it also does a substantial export business. It apparently acquired and holds that monopoly by evasions of the judgment of the United States Circuit Court which was entered upon its plea of guilty to the grave charges solemnly preferred against it by the United States Government in 1911.

We must bear in mind that this report is not nearly so broad as was the debate here on the Muscle Shoals bill. The Lockwood committee was appointed to investigate housing conditions, and confined itself to that branch of the subject. It will be found that the General Electric Co. is not confining its business to electric-light fixtures that are used in the homes and houses, although it controls that business too, but it also controls to a great extent—I charge, at least, and I want the investigation to show whether my charge is true or not—the manufacture in the main in the United States of all sorts of electrical equipment for great plants where two or three hundred thousand horsepower of electricity are generated.

The Lockwood committee says further:

After making extravagant charges against its manufacturing cost for the purpose of reducing the apparent profits, the prices at which its lamps are sold still appear to allow an admitted margin of from 150 per cent to 300 per cent between the manufacturing cost and the price paid by the consumers. About 70 per cent of this profit is absorbed by methods in the distribution of lamps to which the company insists on clinging in order to throttle competition between the jobbers and retailers to whom it sells these lamps under the pretext of consignment contracts accompanied by limitations on the resale prices, which it fixes, we believe, in violation of the terms of the decree to which reference has been made.

I might read on at great length from this report, but I will merely read a few more excerpts.

The exorbitant profits have been "camouflaged" by excessive charges against new plant construction account from which the following appear.

Then, they follow with a lot of figures to show that, and they wind up by saying:

We believe this has been done for the purpose of hiding profits.

In another place they say:

The history of the various devices by which this monopoly has been acquired and is held is recited by the Government in its bill of complaint.

Now listen to this, Senators; this is to what they plead guilty:

It will be difficult to find in the archives of the courts a more scathing arraignment than that to which this corporation pleaded guilty in 1911.

The company was then said to control 60 per cent of the business of the country and the purpose of the judgment was to destroy that control. The company, despite the terms of the decree which was entered upon its consent, now controls at least 96 per cent of the business of the country and is at the present time seeking to eliminate the remaining possible 4 per cent.

The report goes on to tell how it is done, and so on. They have holding companies and subsidiaries, and utilize various other devices.

Your committee is advised that the judgment of the Federal court has been violated and accordingly has caused the record made before this committee to be forwarded to the Department of Justice of the United States.

Mr. President, the attorney for that committee was Samuel Untermyer. At the time Mr. Daugherty was Attorney General, and Mr. Untermyer had correspondence with Mr. Daugh-

erty; he tried to get Mr. Daugherty to commence prosecution or to authorize the prosecuting attorney in the city of New York to commence, and he went so far as to proffer the assistance of any of the attorneys that he might select that had been used by this committee, without any cost to the Government, if he would do it; and of course the Attorney General refused to do anything.

In a recent letter, dated on the 1st of January, Mr. Untermyer, writing to me, uses this language:

The General Electric Co. is as completely and effectively dominated and controlled by the banking house of J. P. Morgan & Co. as though they owned the entire share capital, and that has been true for many years. The stock is widely scattered, but, in fact, the officers of the board of directors are selected by Messrs. Morgan, who are not only the bankers of the company but are largely responsible for its policies. The Electric Bond & Share Co. is one of its many subsidiaries. It is in the nature of a holding company and is, I believe, the medium through which many of its bond and stock issues are made.

At another place in his letter he says:

My investigation of the Lockwood committee into the activities of the General Electric Co. had to do principally with its monopoly of the manufacture, distribution, and sale of electric light bulbs. The way in which it has secured and maintained that monopoly is about as disgraceful a chapter as can be found in the history of companies that are thriving in defiant violation of the antitrust laws.

The General Electric Co. and the Western Electric Co., although nominally independent of one another, are, in effect, operating in the very closest cooperation, and I should not be surprised to learn that they are directed from the same fountainhead, although we took no proof on that subject, and I have no evidence to support that assertion beyond the fact that in the bulb business they operate under a license of the General Electric Co., who maintain the same prices; so that in that branch of the business they are practically one company so far as the absence of competition is concerned.

The violation of the antitrust law by the General Electric Co., which has been continuous since 1910, was so flagrant that our committee made formal demand upon Mr. Daugherty, then Attorney General, to bring criminal proceedings against them, but without avail. There is considerable correspondence between Mr. Daugherty and myself at my office in New York upon that subject.

He writes this from another place:

It was his persistent refusal to act in that and one or two other cases that led to the public attack on him by me, made a little over a year before the investigation of his office was begun. We had no difficulty in securing action by Mr. Daugherty against the minor interstate unlawful combinations connected with the building trades. By arrangement with me he referred them to the United States district attorney at New York, who cooperated with our committee with reasonable fidelity. When, however, it came to the big fellows, especially those under the protection of J. P. Morgan & Co., I was unable to induce him to permit the district attorney to act. He stubbornly held on to those cases himself and would do nothing with them.

The General Electric Co. has accumulated literally hundreds of potentially competing patents covering electric-light bulbs, including three or four important inventions made in Australia, Germany, and the United States. They practically control the business, under cover of which they have driven all competition out of the business.

The position I took is confirmed by the decision of the Supreme Court that a combination of competing patents is as offensive to the antitrust law as a combination in articles not protected by patent. In my opinion it is much more offensive. When the Government grants an exclusive privilege covered by a patent, the people have the right to the competition of other inventions.

Mr. President, I am going to ask to insert in the RECORD, without reading, some of the correspondence between Mr. Untermyer and Attorney General Daugherty that bears out every one of the allegations Mr. Untermyer has made in that letter.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

MARCH 23, 1922.

HON. HARRY M. DAUGHERTY,

The Attorney General, Washington, D. C.

(The General Electric Co.)

MY DEAR GENERAL: I understand you are familiar with the attitude of the Lockwood committee based upon the evidence taken by it and the exhibits, all of which have now been for some time in your possession.

You will doubtless have noted from the comprehensive statement of our attitude made by me at the session of the committee held on January 26, 1922, which is found on pages 6213-6219, that our contentions are:

(1) That there has been a flagrant and continuous violation of the consent decree of October 12, 1921, made by the Federal court at Toledo, Ohio, in a number of particulars; and

(2) That the acquisition of the competing and potentially competing patents that were set forth in the bill of complaint on which the decree was entered and the use that has been and is being made of these patents constitute a willful and persistent violation of the anti-trust laws that should be the subject of immediate criminal prosecution.

If you have examined the record you will also take note of our contention that for years the figures have been juggled by excessive charges to depreciation and in other ways with a view of absorbing the bulk of the exorbitant profits that have been exacted in this business and that one competitor after another has either been bought out or driven out of the business under prosecutions based upon these potentially competing patents.

It would be difficult to imagine a more oppressive monopoly or one that is to my mind more flagrantly violative of the law. Whilst a patent may lawfully be made the basis of a legalized monopoly, owners of patents that are actually or potentially competing have no more right to combine and thus deprive the people of the benefit of that form of competition than if the particular commodity were unprotected by patents.

The story as told in the bill of complaint filed by the Government in 1911 is one of the most amazing recitals of fraud and oppression in the history of the courts. At that time the company, by direct ownership, monopolized only 60 per cent of the business. Now it monopolizes about 98 per cent of the entire business of the country, the volume of which has meantime increased manyfold.

If you will direct your attention to the difference between the manufacturing cost of these bulbs and their uniform selling price, which is maintained through an agency system that is a thinly veiled violation of the consent decree of 1911, you will realize the extent to which the public is being unjustly taxed and the relief that could be secured by smashing this defiant, high-handed monopoly.

I realize the powerful financial and other influences that are behind this company, and the clever legal minds that are guiding it through the labyrinth of evasions of the law so as to give it the appearance of legality, but am relying on the Department of Justice to strip bare the pretexts under which it is attempting to shield its operations.

I respectfully submit that there should be summary action in two directions: (1) By a motion to punish for contempt in the Federal court at Toledo for violation of the decree; and (2) by criminal proceedings in the Federal court at New York.

I am hoping that you will place these prosecutions, as you placed the others, in the hands of the United States district attorney of New York and will supply him with special counsel to conduct these important cases. Although the organization here is quite inadequate to cope with the violations already exposed by the Lockwood committee, the evidence of which has been handed over to the Federal district attorney here, I do not mean to imply that Colonel Hayward, with his able and untiring special deputy, Mr. Podell, and their staff are not exerting themselves to the utmost with the limited facilities at their command.

They are doing their utmost, but they have not the necessary assistance in the way of competent expert trial lawyers, nor have they been able to secure the judges or the other legal machinery necessary to press these cases as rapidly as they should be prosecuted.

At the present rate of progress it will take years to present to grand juries and to bring to trial the many violations of law already brought to their attention that are contributing so largely to the maintenance of the high cost of living.

If, in order to expedite action against these powerful offenders connected with the General Electric Co., you would prefer to depute any member of the legal staff now connected with the State prosecutions that are being conducted on behalf of the Lockwood committee to take charge of these particular prosecutions, I will see to it that the proceedings are promptly undertaken and pressed to a conclusion without expense to the Federal authorities, but I would rather see it accomplished through your own agencies with such assistance as we may be able to render whenever called upon to do so, provided this can be promptly done.

I assume you have estimated at its proper value the gesture of the General Electric Co. in applying to you to investigate these alleged violations of law after they had been exposed by the Lockwood committee and after it had been publicly announced that prosecutions would be demanded. The published statement made in connection with that gesture, to the effect that the company had not been given a fair opportunity to present its side of the case is without the slightest basis, as you will observe by reference to the minutes of the proceedings before the committee.

You will there find that the company was invited to present any witnesses whom it saw fit to have called and that each witness from the ranks of the company who was examined was urged at the conclusion of his examination by the counsel of the committee to read over his testimony and make such explanation as he cared to present and that whilst several witnesses were not permitted to be examined by their own counsel, which would have been contrary to all the precedents of legislative investigations and would render such investigations impossible, the company was invited and availed itself of the opportunity of putting to the several witnesses such questions as it saw fit to submit through the counsel for the committee, and that all the questions requested to be asked of the witnesses were, in fact, asked. The committee went further in this direction than any investigating committee has ever gone.

Very respectfully yours,

SAMUEL UNTERMYER.

DEPARTMENT OF JUSTICE,  
OFFICE OF THE ATTORNEY GENERAL,  
Washington, D. C., March 25, 1922.

HON. SAMUEL UNTERMYER,  
Attorney at Law, New York City.

MY DEAR SIR: I have your letter of the 23d instant, and consider that the representations made therein justify a careful examination of the matters referred to as quickly as possible. The matter will be expedited as much as possible, though it can not be attended to at once for the reason that certain parties I am desirous of consulting with are not here, and the department, as far as my assistants are concerned, is undergoing an embarrassing disadvantage at this time because of the serious illness of two assistants and others whom I depend upon for advice and assistance in these matters. I will let you hear from me a little later.

Very truly yours,

H. M. DAUGHERTY,  
Attorney General.

MARCH 31, 1922.

HON. HARRY M. DAUGHERTY,  
Attorney General, Washington, D. C.  
(General Electric Co.)

MY DEAR GENERAL: I have your letter of the 25th instant, from which I regret to learn of the serious handicaps in your department due to the illness of assistants and others upon whom you depend in the matter to which I refer in my letter to you of the 23d instant. I note also that I am to hear from you a little later.

It is now almost three months since the detailed disclosures of the offenses complained of against the General Electric Co. were made by the Lockwood committee, at which time the facts were doubtless brought to your attention through the United States district attorney at New York. Complaint is constantly being made against Federal and State public officials charged with the administration of the criminal laws that whilst there is ample time at the disposal of these officials for the punishing of small and helpless offenders there is great difficulty in putting the machinery of justice in motion against the men of power and influence.

That feeling is constantly growing on the community, and I am particularly anxious that this reproach shall not attach to the work of our committee, which accounts for my solicitude with respect to the prosecution of the grave offenses that we believe have been established against the General Electric Co. and its officials. But for the fact that these are distinctly violations of interstate law and of a decree of the Federal court, which is not enforceable by State process, our committee would have dealt very promptly with this situation with the machinery we have set up for the purpose and that operates very much more rapidly than the processes in the Federal courts in connection with these cases.

I regret that you have not been able to see your way clear to adopt my suggestion that this particular business be turned over to the Federal prosecuting officers of this district, but am hoping that you will soon be able to deal promptly and effectively with the situation.

I repeat our offer to furnish you with every assistance and facility within our reach of which the Department of Justice is willing to avail itself.

Very truly yours,

SAML. UNTERMYER.

DEPARTMENT OF JUSTICE,  
OFFICE OF THE ATTORNEY GENERAL,  
Washington, D. C., April 1, 1922.

HON. SAMUEL UNTERMYER,  
New York City.

MY DEAR SIR: I have your letter of the 31st ultimo. Colonel Goff, who has had this investigation in charge, is still too sick to be seen and I can not take the matter up with him until he gets better.



I note your reference to the complaints that are constantly being made against Federal and State officials charged with the administration of the criminal laws and the impression that there is ample time at the disposal of these officials for the punishing of small and helpless offenders. Such complaints are unjustifiable as far as the Department of Justice is concerned, but they are usual and can not be helped. With the force we have we are going along with these matters in connection with the Federal prosecuting officers of the district and I feel satisfied that the results will meet the expectation of the people and the necessities of the situation. I am sorry I can not adopt all the suggestions you make from time to time; I have very good reasons for not doing so, and perhaps if you were in my position you would see the situation as I do.

Very truly yours,

H. M. DAUGHERTY,  
Attorney General.

APRIL 4, 1922.

HON. HARRY M. DAUGHERTY,  
Attorney General, Washington, D. C.

MY DEAR SIR: I beg to acknowledge receipt of your letter of the 1st instant, from which I regret to learn that Colonel Goff is still ill and beg to express the hope that he will soon be restored to health.

I wish it were possible for me, in the light of the experience we have had, to share your optimistic views—"the results will meet the expectation of the people and the necessities of the situation." So far as I am able to form any judgment whatever, the results will do neither. The force continues to be totally inadequate.

Very truly yours,

SAM'L. UPTERMAYER.

MR. NORRIS. I have also examined some of the evidence that they took; and, Mr. President, although that decree was rendered years ago, as he says there, and as the committee says in its official report, they have been violating it ever since, in defiance of a decree rendered on a complaint to which they plead guilty, and no action was taken.

MR. PRESIDENT, in the Muscle Shoals debate here it developed that the General Electric Co., in a general way, controlled all the electrical devices, both great and small, all over the United States, and from a part of foreign countries. Is the Senate of the United States going to close its eyes to those facts, brought out here in the discussion of a bill on which it had to take official action? Are we going to say now that we shall not direct the Federal Trade Commission to investigate these charges and ascertain whether they are true or false? Are these statements, standing up to date uncontradicted, such that we ought to remain silent and close our eyes? If half of these statements are true, this trust reaches into practically every home in the United States.

I notice that the Senator from Pennsylvania has moved that the resolution be referred to the Committee on Interstate Commerce. See how unjust that would be if it were going to be referred to a committee? The entire investigation out of which this all arose came from the Committee on Agriculture and Forestry. Ordinarily I should not ask that such a resolution be referred to the Committee on Agriculture and Forestry; but this is one of the side lights of Muscle Shoals. It came out here and came before the country on account of the investigation made by the Committee on Agriculture and Forestry of the Muscle Shoals proposition; and I submit that if you want to be even fair with your standing committees you ought not at this stage of the proceedings to take the investigation away from that committee and give it to another one.

But, Mr. President, the resolution ought not to be referred to a committee. It is making an exception to the general practice of the Senate. This resolution ought to be passed or it ought to be beaten, one or the other, and we ought to vote on it, rather than to whip it around the stump and send it here or there.

MR. SMOOT. Mr. President, will the Senator yield?

THE PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Utah?

MR. NORRIS. I yield to the Senator.

MR. SMOOT. Has the Senator any information as to what the investigation will cost?

MR. NORRIS. Yes.

MR. SMOOT. I told the Senator yesterday that I had been trying to secure information as to its cost.

MR. NORRIS. I have it.

MR. SMOOT. The information that I have runs all the way from a million dollars up to four or five million dollars. Personally, I do not know anything about what it will cost, but I wanted to learn the cost, and I therefore desired to ask the Senator if he has any information at all on the subject.

MR. NORRIS. I think that is a perfectly proper question. I could hardly conceive that when the resolution came up to-

day anybody would object to it; I supposed that it would go through. I have in my office a report of the cost of all investigations that have ever been made by the Federal Trade Commission. I had an estimate made on this cost, and of course I realize that it is only an estimate. Nobody can tell accurately; but I think the Senator from Pennsylvania and the Senator from Utah and those who think it is going to take two or three million dollars to make this investigation are away wide of the mark. The man who investigated it for me and gave me an opinion on it, who was formerly connected with the Federal Trade Commission and is one of the men who were instrumental in making a great many of their investigations, and knows in detail all their procedure and everything, estimated to me that it would cost \$75,000 to make this investigation.

MR. BRUCE. Mr. President, may I interrupt the Senator for a moment?

THE PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Maryland?

MR. NORRIS. Yes; I yield.

MR. BRUCE. Apropos of what the Senator said about expense, I simply want to say that the Interstate Commerce Committee had quite an instructive experience in that respect. A resolution was pending before us to investigate railroad propaganda, and we asked the Interstate Commerce Commission to report to us what it would cost to conduct the investigation. They reported that it would cost some \$400,000. So it seems to me that when the Senator from Nebraska estimates that it will not cost more than \$75,000 to conduct this investigation, the estimate is hardly likely to be borne out by the facts.

MR. NORRIS. I am not giving my opinion, I will say to the Senator. I do not see why it should be an expensive investigation. Here is something that I prepared myself, with the assistance of some friends who were interested in helping me get information in the Muscle Shoals debate. It did not cost a penny to have that map made, although it took several days' time of two or three men to do it. They get that information from the records. Why, if this were official, if I could put an official stamp on this, it would be almost the complete investigation. There are some other corporations that they do not have in here that I know about; but no one would think that would take lots of time. It is mostly examining records, examining reports, examining Poor's Manual, making an examination of statistics. I do not think it is going to be an expensive investigation; but, Mr. President, I should be for it even if it were expensive. I think the country ought to know it, and I do not believe that the Senate can afford to conceal it from the country.

MR. PRESIDENT, I hope we can dispose of this resolution before 2 o'clock. If Senators want to debate it longer and will agree to a time for a vote, I have no objection. I do not want to curtail debate; but from what has gone before in the Muscle Shoals debate I supposed everyone would acquiesce in the resolution.

MR. KING. Mr. President, will the Senator yield?

MR. NORRIS. Yes; I will yield now to the Senator. I forgot to yield to him before.

MR. KING. I want to make an inquiry of the Senator for the purpose of understanding just the scope of the resolution. I direct the attention of the Senator to page 2, commencing at the semicolon in line 5, down to and including the word "thereof" in line 12. Does the Senator mean, by the language embraced within those lines, to require an investigation as to the holding of every individual in the United States who may have stock or interests in little power plants or corporations, industrial or otherwise, that may be related remotely or directly to the manufacture of power, or to any of the devices and facilities used in illumination?

MR. NORRIS. Oh, no, no. Let me read all of that down a little farther than the Senator has called my attention to. It reads in this way:

And also particularly to investigate and report, together with other and pertinent facts, the extent to which banks and trust companies and the principal companies manufacturing electrical equipment and apparatus, or owning important patents for the manufacture of such equipment and apparatus—

And that will not be very many—

and other important industrial companies, or the officers, directors, and stockholders thereof, have a legal or equitable interest in the stock, bonds, or other securities of any of the public-utility and holding companies and associations above referred to.

In the first place, it refers to only the principal companies, and I take it that there would be no investigation of all the



little companies which exist here and there over the United States.

Mr. KING. I direct the attention of the Senator directly to the words "and other important industrial companies." That is a clause which is susceptible of very latitudinous construction. Is it to be left to the commission to determine what are the important industrial companies, and the extent to which the investigation of them shall be made? The great manufacturing plants of the United States, the cotton and woolen mills, and what not, are industrial companies. Clearly, the Senator does not intend to have them investigated.

Mr. NORRIS. No. Let me call the attention of the Senator to the language a little further on.

And other important industrial companies, or the officers, directors, and stockholders thereof, have a legal or equitable interest in the stock, bonds, or other securities of any of the public-utility and holding companies and associations above referred to.

I think that limits it so that they would not go off on a tangent and investigate a lot of companies that are not connected with this trust.

Mr. KING. So that we may not be driving at ostensibly the same objective, and yet not understand each other, is it the intention of the Senator to limit the investigation, first, to the determination of whether there is an electric trust; second, if there is, the operations and ramifications of the trust; third, whether the banks finance and control this trust; and, fourth, to what extent other corporations, industrial in character, as well as banks, individuals, directors, and what not of banks, own stock in this great trust?

Mr. NORRIS. I want to have the trust investigated clear through, and if banks and trust companies own stock in it, or in any other way control the trust by interlocking directorates, or in any other method, I want them investigated. I want the facts to appear, in other words. If some other big manufacturing concern is connected with the trust and participates in the control of it, I want to know to what extent; but that is all. For instance, I would not take it to be the duty of the Federal Trade Commission to investigate a cotton-manufacturing concern, unless it appeared that that cotton-manufacturing concern was one of the directing forces of this trust, and insisted in carrying out the monopoly which this trust obtained, or which at least I think it has.

Mr. KING. Mr. President, it seems to me that there can be no objection to an investigation; indeed, that it would be quite pertinent and proper to have one to determine as to whether or not there is an electric light and power trust in the United States. I submit that an investigation limited to that object would be particularly pertinent and proper now, in view of the fact that we have recently passed the so-called Underwood bill, under which, if it shall become the law, the duty will rest upon the President either to engage in certain power activities for the Government, or to execute a lease for the purpose of having a power plant built and fertilizers manufactured.

The President ought to be advised, if that bill shall become a law, as to the various interests of all persons who may offer themselves as lessees for the Muscle Shoals plant. If there is a power trust in the United States I am sure the President of the United States would be glad to know that fact, and that might determine his course in the matter of leasing Muscle Shoals.

I have no objection to the resolution if it is properly limited; and my present objection is because of its lack of clarity. I am afraid that the commission will construe it as a mandate to investigate every bank of the United States with a view to determining whether any director or stockholder of record has any stock in any public-utility corporation, or in any power company, or in any corporation which is engaged in the manufacture of any of the devices used in illumination. I am afraid that they will regard it as a mandate to investigate every industrial corporation in the United States for the purpose of ascertaining whether any stockholder or director, or the corporation itself, is directly or remotely interested in any electric plant or in any industrial organization engaged in the manufacture of the devices used in illumination.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

Mr. KING. Certainly.

Mr. NORRIS. The Senator will concede, I think, that if an investigation showed that some concern, no matter what it might be called, or what its business might be, was connected with this trust, it would be their duty to look into it.

Mr. KING. I agree with the Senator.

Mr. NORRIS. That is as far as I want to go.

Mr. KING. If this resolution is limited to that, I shall support it.

Mr. NORRIS. I think it is limited to that, I will say to the Senator, because it refers further down in the language to the "companies and associations above referred to."

Mr. KING. I would like to say to the Senator that if he is seeking information for the purpose of bringing convincing evidence that a great trust exists in violation of the Sherman antitrust law, in the hope that the administration will prosecute that trust, I think he is reckoning without his host. The Senator knows that during the past few years the Federal Trade Commission has investigated a large number of corporations which are properly labeled "trusts," which have flagrantly and wantonly violated the Sherman antitrust law and imposed upon the American people to the extent that it can be said that they have been exploited and robbed by great trusts and monopolies in the United States.

The commission has submitted to the Attorney General between 50 and 60 reports showing flagrant violations of the Sherman antitrust law. I am betraying no confidence when I say that I importuned the former Attorney General, Mr. Daugherty, and his assistants, to take cognizance of those reports and to initiate prosecutions against the trusts covered by the reports. The Department of Justice declined to do so, as its officials declined when Mr. Undermyer urged that prosecution should be inaugurated by the Department of Justice.

I believe that the last Attorney General, Mr. Stone, when he had become accustomed to the duties and responsibilities of his office, as he doubtless soon would have, would have been compelled, by reason of public opinion, as well as by a desire to discharge his duties, to take up those reports and to initiate prosecutions; but I regret to say that the former Attorney General, Mr. Daugherty, and his assistants, failed to prosecute many trusts and corporations, where the evidence, gathered by the Federal Trade Commission, was conclusive, and was submitted to them as a basis for their action.

I do not hope that this administration, which has been elevated to power in part by the influence of the great trusts and the great corporations of the United States, will feel constrained to pursue a different course from that which was pursued under the Harding administration, and thus far under the Coolidge administration.

Mr. PEPPER. Mr. President, I have no thought of shutting off the light or stopping an inquiry if, after mature consideration, it seems wise that such an inquiry as the one outlined in the resolution should be undertaken. I think the Senator from Nebraska makes a mistake, which is quite natural under the circumstances. He imputes to many of his colleagues a degree of information regarding the matter touched upon by this resolution, which seems natural enough to him, in view of the special study he has given to the subject in connection with the Muscle Shoals inquiry, but, speaking for myself, and I think for a number of other Senators, Mr. President, our information on the subject is extremely vague.

I know nothing which would make me feel justified in voting to spend public money in pursuit of an inquiry of this sort. I want the judgment of a responsible, standing committee of the Senate, that we are going to get our money's worth; that if we are to spend whatever it costs, from \$75,000, as the Senator from Nebraska estimates, up to \$4,000,000, which is the maximum estimate that has been given to the senior Senator from Utah [Mr. Smoot], we are going to get our money's worth, and that our investigation will follow a line which will be productive of results tending to the public good.

I share with the junior Senator from Utah [Mr. King] the opinion that the resolution, properly construed, is far broader in its terms than its author seems to think. If I were a member of the Federal Trade Commission and the resolution were placed in my hands as a mandate from the Senate, I should feel that I would have to investigate precisely on the lines which the junior Senator from Utah has indicated, and if that were done we would have a time-consuming, costly, and a far-reaching investigation, which might not produce results in any way compensatory for the money and time spent on it.

I think the resolution should go to the Committee on Interstate Commerce; that it should be carefully studied in the light of whatever considerations the Senator from Nebraska may see fit to lay before that committee, and I should hope that it would be very much modified by amendment by the time it came back to the Senate, so that all of us could vote for an inquiry on proper lines, within proper limitations, and likely to be productive of the results that all of us hope for.

Mr. REED of Missouri. Mr. President, I want to ask the Senator from Pennsylvania a question: Does he think that if the resolution takes the course suggested by him it can be



reported back, and will be reported back, in time for action at this session?

Mr. PEPPER. I know of no reason why that should not be done. If the investigation which the committee must give to this question had to be so far-reaching and extensive that action could not be taken on the resolution by the committee at the present session, it would be an indication to me that the inquiry which is the object of the resolution would be a most formidable undertaking and one which we should not enter upon without deliberation.

Mr. REED of Missouri. Of course, the question whether action *can* be taken is one thing; the question whether action *will* be taken is quite another.

Mr. PEPPER. If the Senator asks me what the committee would do—

Mr. REED of Missouri. I was trying to get the Senator's view as to whether action would be taken. I do not hold to the view for a moment that we need any information at all to warrant us in the conclusion that there are some things upon which it would be beneficial to have light. The resolution may be very broad, and I think it is very broad. I conclude, as I hastily examine it, that it might be given a construction so broad as to give an almost limitless jurisdiction. But that we have sufficient evidence before all of us to warrant the conclusion that the process of consolidation in electrical development has advanced—I will not say to an alarming extent, but to an extent where information is desirable—I have no doubt, and there can be but little doubt about it.

It seems to me that the resolution could, without losing its place, go over until to-morrow. The Senator who is its author perhaps might modify its language. We might then be able to act upon it. However, if it is referred to a committee, with the present temper of the Senate considered and the disposition to get through and to attend to other matters, I am very fearful that it would never see the light of day at this session. Of course, it would be dead at the next session. May I suggest to the author of the resolution whether we could not by unanimous consent postpone consideration of the resolution until the morning hour of to-morrow, with the further stipulation that the resolution might then be regarded as in a parliamentary position for consideration?

Mr. PEPPER. Mr. President, speaking only for myself, it would require a good deal of debate and discussion and the exhibition of evidence and data to satisfy me that we have reasonable and probable cause for instituting the investigation. In the present condition of the business of the Senate I should much prefer that that inquiry be made by one of the regular organs of the Senate provided for such purposes. I think if we fix a time and debate the question upon the floor, we are not likely to use our time profitably. If the resolution goes to a committee, I should apprehend, if that committee is the Committee on Interstate Commerce, that we might look for a report at a reasonable date, because the principal question about which I am concerned is whether we are starting to inquire into matters which are already cognizable by State public service commissions and whether there is interstate matter here which justifies our inquiry at all. That is the reason why I mentioned that committee.

Mr. REED of Missouri. Of course, if it is the purpose to refer the resolution to a committee with the idea that the committee must conduct a long preliminary investigation in order to determine whether or not there is anything to investigate, then we all know that the resolution will not come back to the Senate at this session in time for action. If it is the purpose merely to examine the phraseology of the resolution and to ascertain whether it is so broad that it ought to be limited, that latter task can be easily performed between now and the morning hour of to-morrow.

I take it from the remarks of my very able friend from Pennsylvania that what he really wants is an investigation to find out whether we ought to have an investigation, and therefore that part of his request is that we shall place the resolution in a position where it will not receive action at the present session of Congress. I am opposed to killing the resolution. I think there is abundant reason for a gleaning of information for the benefit of the Congress, touching at least certain of the subjects referred to in the resolution. I am inclined to think the resolution rather broad and sweeping, and perhaps so broad and sweeping as to defeat in part its purpose, because if the investigation should take an enormously wide scope the delay in a report would be so great that the objects of the author of the resolution might be at least in part defeated.

The Senator from Pennsylvania made a statement which I think throws a little light on the course an investigation

might take. He said that he wants to ascertain whether the information is not already in the hands of the State utility commissions or boards. If the information be there, it would require an investigating committee but little time to collate it, digest it, and bring it here in concrete form. So it would be a very happy way and we could look for a very speedy termination of the investigation. But in so far as he raises the question of whether interstate business is involved I think that no man of his great intelligence and experience through contact with large business concerns in his professional capacity could have the slightest doubt that those organizations in many instances are interstate in their character. But whether interstate or not is not a very material thing, for in our legislation touching the affairs of the country we are frequently interested in business conditions which may be limited entirely within the confines of particular States.

I make the suggestion to the author of the resolution that he ask to have it go over until to-morrow morning without prejudice and let us all have a little time to consider it. If he wants to force a vote this morning, I shall vote for the resolution, but I would like to have an opportunity to study it.

Mr. NORRIS. Mr. President, as I said before, I have no disposition whatever to limit debate or consideration in any way. I would not object to having the resolution go to a committee if I thought it would ever see the light of day afterwards, but when the subject, with all of the debate and all of the discussion, originated with one committee, and we come here and find a Senator moving that the resolution be referred to a different committee that must take it up *de novo*, I am impressed with the thought that if the motion prevails it is just as certain as the sun shines to-day that the resolution will never see the light of day at this session—and that is without finding any fault with the committee. They can start in and investigate from now until the 4th of March if they want to, sending for witnesses all over the United States, to ascertain whether or not there is a trust. When they get all through with it, if they think there is a trust they will report the resolution and recommend that it be adopted, and then the Senator from Pennsylvania, I presume, would be satisfied to pass it.

In other words, the committee would investigate the very thing that the resolution proposes should be investigated by the Federal Trade Commission. They could send to the State of Washington for witnesses. There are some there. They could send to the States of Florida and Alabama and all over the United States for witnesses. All of the committees of the Senate at this stage of the session are very busy. What committee is going to take up this subject and go into it? If there is one member of the committee who wants to kill the resolution, he can demand the calling of witnesses as I have suggested and the investigation would extend easily until after the 4th of March. The committees are not in condition to start in at this time in the session to make such investigations. Ordinarily, if the resolution were referred to a committee and they were acting in good faith, and everybody on the committee wanted to have done rapidly whatever was done at all, they would make only a preliminary survey of the situation. They would act something like a grand jury. They would not expect to make a full investigation.

I thought that was unnecessary for two reasons in this case: First, because it is contrary to the precedent of the Senate, and second, because the matter has been before the Senate now for more than a month. It has been debated and discussed. I tried to have the resolution acted on while the Muscle Shoals question was before the Senate with a view of getting some information before we disposed of that matter, but on account of objection was unable to get action taken. Evidence has been produced here, if it is true, that constitutes more than a *prima facie* case, and who has denied it? Nobody!

The Senator from Pennsylvania now says that we want a good responsible committee to consider the matter. I can tell him one committee that I think is good and responsible that is in favor of the adoption of the resolution, and they are satisfied from the evidence which has been adduced in the Muscle Shoals debate that it ought to be adopted; but that committee is not the one selected by the maker of the motion to have it referred to. If the resolution goes to the Interstate Commerce Committee and they do what is the evident intention of the maker of the motion to refer it there, it is dead and we might as well make up our minds to that. I say that without any criticism of the committee. They could very easily start an investigation on the subject that would keep a committee of the Senate working every day for six weeks to finish. That can very easily be done, and it would be the easiest thing in the world to kill the resolution in that way.

Mr. DIAL. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. NORRIS. I yield.

Mr. DIAL. Can the Senator tell us if he has any hope of a quick report from the Federal Trade Commission?

Mr. NORRIS. I do not know.

Mr. DIAL. My recollection is that some time ago they were very far behind in making reports.

Mr. NORRIS. Yes; the Senator himself had some experience, and while he liked the report very much when he got it he was very nervous because they did not report quickly enough. Perhaps they will not do it here. I do not know; I can not say. But it is safe to say that they will report, and we will get the facts when they report them. If it takes two weeks, that is all right. If it takes six months, let them do it, but it ought to be done and done right, and so far as I am advised it is the best-equipped organization anywhere in our Government to make the investigation. It has a great deal of information already in its files. For that reason it would not be an expensive proposition.

I wish to say to the Senate that I have no objection to any reasonable amendment being made to the resolution. I have frankly stated what I am trying to accomplish. If Senators think that there is danger that the resolution is too broad, and that for the reason it is too broad the Federal Trade Commission would go beyond the point where we desire them to go, I am perfectly willing that the resolution shall be amended. I am also perfectly willing that the resolution should go over until to-morrow or that it should go over until next week, if necessary. I am not asking to rush anything. All I want is what I believe to be fair and honest treatment for the resolution. I do not desire that it shall be pigeonholed and smothered to death.

Mr. GLASS. Mr. President—

Mr. NORRIS. I yield to the Senator from Virginia.

Mr. GLASS. I should like to suggest to the Senator from Nebraska that there are some of us who desire to know whether or not there is a power trust; and if there is, its nature and extent; but we would not be willing to permit the Federal Trade Commission to range through all of the bureaus of the Treasury Department and all of the banking institutions of the country in order to ascertain that specific fact. It seems to me that the resolution is entirely too broad. Should it be adopted, it would enable the Federal Trade Commission to examine every document in the Treasury Department of the United States, whether it might relate to this particular problem or not.

Mr. NORRIS. Mr. President, I think that, in a technical sense, what the Senator from Virginia states is absolutely true. I would not, however, expect the Federal Trade Commission to do such an unreasonable thing.

Mr. GLASS. I do not know about that. I am a great advocate of the Federal Trade Commission. I have always voted to sustain it with appropriations and have regretted that appropriations for the commission have not been more liberal. I think the Federal Trade Commission has done a great service in the face of bitter congressional antagonism. For myself I do not participate in the opposition to the Federal Trade Commission. I think, however, that because of antagonism the Federal Trade Commission has become very jealous of its functions and very keen and desirous for information upon all sorts of things; and if we shall turn it loose under a resolution which is so broad as this, we may be sure that it will try to learn everything it can learn, whether it may relate to this particular problem or not.

Mr. NORRIS. I desire to suggest to the Senator from Virginia that I do not want the investigation to go beyond this particular problem.

Mr. GLASS. I assume that that is the Senator's position.

Mr. NORRIS. As I have previously stated, I have no objection, if Senators think that the resolution is too broad, to having it amended. I do not, however, desire that the resolution shall be put in such shape that the commission will be curtailed in its investigation. I do not wish to tie them up in such a way that they will not be able to get the information upon which we may base a conclusion.

I put into the resolution the second resolve in reference to examining matters in the Treasury Department for the reason I will now state. I am not sure that the second resolve amounts to anything, but I will be perfectly frank with the Senator from Virginia. I had this in mind: It occurred to me that possibly the commission might be able to get records in the Treasury Department from the returns of corporations and individuals that would show their connection, if they had any, with any of

the organizations and associations which the commission were investigating.

I did not consult with any member of the Federal Trade Commission or do anything of that kind in order to ascertain whether that would be desirable, and I do not now know whether the investigation by the commission would take that course. I may be entirely wrong about the matter, but it occurred to me that in case of dispute, perhaps, as to whether a certain corporation controls this subsidiary or that subsidiary, the returns that they made in the Bureau of Internal Revenue of the Treasury Department might conclusively settle the question. I therefore desire to give the commission an opportunity to examine the returns with that idea in view. That was the only thing I had in mind. It may be that the resolution would be better with the second resolving clause stricken out. Perhaps the commission would not care to have that power; perhaps they would not care to use it should it remain in the resolution.

If Senators feel that the resolution is too broad and they would like to have an opportunity further to consider it, there is no disposition on my part to press it to a vote now. I am perfectly willing even to having the resolution referred to a committee, if I may be assured that it will come back to the Senate within a reasonable time, a week or such a matter. I am not only willing that the resolution shall go over until to-morrow, but I am willing that it shall go over until next week, and let every Senator examine it in order that we may frame a resolution which shall fairly and honestly state its object. If I have not correctly stated it, I should like to have the resolution put in such shape that that shall be done.

Mr. DIAL. Mr. President—

Mr. NORRIS. I yield to the Senator from South Carolina.

Mr. DIAL. Mr. President, I desire to say that I think highly of the Federal Trade Commission, but I merely mentioned that it would probably be a very long time before we could get a report from the commission on the subject involved in the resolution of the Senator from Nebraska if investigation should be referred to them. My information is that the calendar of the Federal Trade Commission at this time is very much crowded. I am not advocating a reference of the resolution, but if the Senator from Nebraska will suggest that the resolution go over, I think that will be the proper course to be taken for the present. However, I am opposed to the adoption of the resolution at any time.

Mr. SIMMONS. Mr. President, I had in mind to suggest to the Senator from Nebraska if he has any apprehension in case the resolution is referred to a committee that it would be pigeonholed or that otherwise a report upon it would be unduly delayed, that the motion of the Senator from Pennsylvania [Mr. PEPPER] to refer the resolution might be amended so as to require the committee to make a report within a limited period of time, say, within a week.

Mr. NORRIS. Yes.

Mr. SIMMONS. I have not had an opportunity to examine the resolution until this morning, and I only examined it carefully this morning because it had been suggested to me that its terms were probably too broad and that the investigation proposed was unnecessarily sweeping. I have been and am now entirely in sympathy with the desire and purpose of the Senator from Nebraska to have an investigation for the purpose of determining whether or not there is a trust or monopoly of power and electrical energy in this country. I think an investigation of that sort would be very helpful, and I think it ought to be made; but I do not think in making an investigation for this purpose that the scope should be any broader than is necessary to develop the fact of whether or not there is such a combination.

Upon reading the Senator's resolution I think that it is entirely too broad. I think probably if the Senator had stopped at the word "business," in line 5, on page 2, the resolution would be quite broad enough.

Mr. NORRIS. Mr. President, if the resolution stopped there, there would be eliminated from the resolution one thing that I think ought to be in it and which I deem very important.

Mr. SIMMONS. There may be one additional thing that might be important, but all of the additional things, I think, are not important.

Mr. NORRIS. As I have said, I am perfectly willing to strike out anything that is not necessary, but I do not want to eliminate from the resolution the direction to the Federal Trade Commission to see what financial institutions are connected with this outfit.

Mr. SIMMONS. That might be proper.



Mr. NORRIS. If we eliminate that that would cut out the meat of it, in my judgment.

Mr. SIMMONS. What I am suggesting to the Senator is substantially what the Senator from Missouri suggested, that it would be a mistake to include a line of investigation that would lead the Federal Trade Commission off into all sorts of tangent and collateral matters probably not calculated to develop any real light upon the controversy. I think—I will not use the word the Senator from Missouri used; I think he said destroy the effect of the investigation, but it certainly would embarrass the investigation, and probably when we should get the report it would be so encumbered with irrelevant and collateral matters that it would not receive the same consideration or have the same effect that a more direct investigation and report would have.

I hope the Senator will either consent to have the resolution referred to a committee, limiting them as to the time in which they must report it, or will let it go over so that we may have more opportunity and time to investigate and study proposed amendments.

Mr. NORRIS. I am willing to do either one so far as I am concerned.

Mr. WALSH of Montana. Mr. President, if this matter is to go over in order to permit the resolution to be perfected I trust that that action will be taken at once. I have given notice that I desire to invite the attention of the Senate this morning to another matter.

Mr. NORRIS. Mr. President, I will act on that suggestion and ask the Senator from Pennsylvania—

Mr. SIMMONS. If the Senator from Nebraska will pardon me, I think it will be more satisfactory if the resolution were referred to a committee with the proviso which I have suggested.

Mr. NORRIS. That is just what I was going to ask.

Mr. SIMMONS. I do not think a committee under those circumstances or any circumstances would attempt to emasculate the Senator's resolution, but they would report back, I take it, in good faith a resolution providing for such an investigation as they thought was necessary to accomplish the manifest purpose of the introducer of the resolution.

If they shall not do that in their report, then of course it will be open to amendment by the Senator from Nebraska or any other Senator who may want to enlarge the scope of the proposed investigation beyond that provided for in the committee's report.

Mr. NORRIS. Mr. President, I move to amend the motion of the Senator from Pennsylvania by adding the words "and the said committee is directed to report said resolution back to the Senate within six days."

The PRESIDING OFFICER (Mr. OVERMAN in the chair). The question is upon the adoption of the amendment of the Senator from Nebraska to the motion offered by the Senator from Pennsylvania to refer the resolution to the committee.

The amendment to the motion was agreed to.

Mr. NORRIS. Now, Mr. President, I have no objection to the adoption of the motion as amended.

The PRESIDING OFFICER. Without objection, the motion of the Senator from Pennsylvania as amended is agreed to.

#### TEAPOT DOME INVESTIGATION

Mr. WALSH of Montana. Mr. President, it will be recalled that some time before the adjournment of the last session of Congress the Committee on Public Lands, acting through myself, submitted a report of the investigation of the leases of the naval oil reserves.

Mr. CURTIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Kansas?

Mr. WALSH of Montana. I yield to the Senator from Kansas.

Mr. CURTIS. I merely wanted the Senator to yield to me for the purpose of suggesting the absence of a quorum, as I note that the Senator from Missouri [Mr. SPENCER], who is interested in the subject, is not at present in the Chamber.

Mr. KING. I should like to ask the Senator from Kansas whether there is any purpose at the conclusion of the morning hour to take up other business. May not the Senator from Montana [Mr. WALSH] have such time as may be necessary in view of the interruptions to present his report?

Mr. CURTIS. I hope an arrangement may be made to that effect, but the Senator from Maine [Mr. HALE], who is in charge of the unfinished business, would first have to be consulted. I would not want to enter into any agreement until we have a quorum call, so that the Senator from Maine may be

present. When he comes in I will talk with him regarding the matter.

Mr. WALSH of Montana. Mr. President, I take this occasion to say before the roll call is proceeded with that I shall not detain the Senate more than five minutes for the presentation of this matter.

Mr. CURTIS. I wanted especially the Senator from Missouri [Mr. SPENCER] to be here while the Senator from Montana was addressing the Senate. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Bingham	Ferris	McKellar	Shipstead
Borah	Fess	McKinley	Shortridge
Brookhart	Fletcher	McLean	Simmons
Broussard	Frazier	McNary	Smith
Bruce	George	Mayfield	Smoot
Bursum	Glass	Means	Spencer
Butler	Gooding	Metcalf	Sterling
Cameron	Hale	Norris	Swanson
Capper	Harris	Oddie	Underwood
Caraway	Harrison	Overman	Wadsworth
Copeland	Heflin	Pepper	Walsh, Mass.
Couzens	Howell	Phipps	Walsh, Mont.
Curtis	Johnson, Calif.	Pittman	Warren
Dale	Jones, Wash.	Ralston	Watson
Dial	Kendrick	Ransdell	Wheeler
Dill	Keyes	Reed, Mo.	Willis
Edwards	King	Sheppard	
Fernald	McCormick	Shields	

The PRESIDING OFFICER. Seventy Senators having answered to their names, a quorum is present.

Mr. WALSH of Montana. Mr. President, the report referred to came before the Senate for consideration during the closing hours of the long session, and remained undisposed of and on the table at that time. I desire now to ask the Senate to act upon the motion then made to approve and adopt the report submitted by the committee.

I did not think it then necessary to make any extended remarks in explanation of the report, the facts being in a general way, at least as recited in the report, within the knowledge of Members of the Senate from various addresses upon the floor and other sources of information open to Members. I have no disposition now, either, to comment upon the report. I take it that every Member of the Senate is advised, in a general way at least, as to the nature of it. I believe that the report as presented by the committee has really had the approval of the Senate, as it has of the country. I merely desire the Senate to go upon record as either approving or disapproving the action of the committee in connection with the matter.

There was filed a few days ago, Mr. President, a minority report which really affords no very good reason, as I view it, why the report of the committee should not be adopted. It is introduced in the following language:

The undersigned minority members of the Committee on Public Lands and Surveys, finding themselves unable to entirely agree with the majority report, present to the Senate for their consideration this report of the minority.

Then follows the report, which I venture to characterize as a tissue of half truths and misrepresentations and argument characterized by the most evident partisan and political bias. To illustrate, it continues:

We attach hereto and make a part of this report a list of inaccurate statements, doubtless in many cases inadvertently made, which are contained in the majority report and which constitute one of the reasons why the undersigned are unable to concur in the report of the majority.

There are some dozen or more of those alleged inaccuracies. I shall not take the time of the Senate to comment upon any of them, but I merely state that I have examined them and I find to merit whatever in any one of them.

Then the report continues:

We agree with the majority report that only one official connected with the Harding administration and no official connected with the present administration has been found guilty of dishonesty or of any other reprehensible conduct.

I forbear from any discussion as to whether any other officials are guilty of any reprehensible conduct or otherwise. I content myself with saying that the report of the majority may be searched from beginning to end for any statement therein to the effect, as stated herein, that no other official has been guilty of any reprehensible conduct.

The report continues:

We agree as well with the majority opinion that the only possible criticism that could be placed upon the conduct of the Secretary of the Navy, Edwin Denby, or of any assistant secretary, relates entirely to the interpretation of statutes glaringly ambiguous and to the inauguration of administrative policies where no express statute exists.

Again I say the report will be searched in vain for any statement in it to that effect, or any statement that will bear that construction.

I merely speak of these as characteristics. There is, however, one matter to which I feel that attention should be called.

Reference is made to the criticism in the report of the failure to invite competitive bids, and the granting of the lease without advertising for bids. The minority report says that in that regard Secretaries Denby and Fall simply followed the precedent which had been established by the preceding administration in the granting of leases without advertising or competitive bids, and reference is made to a particular case in which it is said that the previous administration acted in that way.

Such a statement was made in a document apparently made use of in some way or other in the House which it was sought to introduce in the proceedings in the hearings before the committee of the Senate. The committee excluded it, but in one way or another the Senator from Missouri attempted to get it in. That statement included a statement to that effect, namely, that the preceding administration had let these contracts without competitive bidding.

Reference is made to the record in support of that. The statement is as follows:

Question (in this House document). Is it a fact that Secretary Daniels approved the leasing without public advertisement by the Hon. John Barton Payne, then Secretary of the Interior, and drilling of new wells on naval oil reserves?

The answer is:

A. Yes. Under date of August 21, 1920, the then Secretary of the Navy informed the then Secretary of the Interior that the lease to the Boston-Pacific Oil Co. covering the drilling of five new wells on section 32 of Naval Petroleum Reserve No. 2 was satisfactory to the Navy Department.

Mr. Finney is on the stand. Mr. Finney is the Assistant Secretary, who knows all about these transactions from beginning to end. He is asked:

What have you to say as to the imputation there made that the policy of leasing the naval oil reserves without competitive bidding was inaugurated and initiated by Secretary John Barton Payne?

Mr. FINNEY. I do not think there is anything to that. I think the action in making these leases of these five wells and the 120 acres of section 28 was entirely correct and appropriate.

Senator WALSH of Montana. What do you think of putting out a statement the purpose of which is to inform the public that the policy of leasing naval reserve No. 3, as it was by Secretary Fall to the Mammoth Oil Co. without competitive bidding, out in New Mexico, and subsequently giving Doheny all leases on No. 3, was a policy inaugurated by Secretary Payne?

Mr. FINNEY. I do not think there was any action by Secretary Payne or the President under the other law at all.

The fact about the matter is that the statute provided that when a claimant actually drilled wells upon a certain tract of land, he was entitled to or might be given a lease on that well, and that the President of the United States might also, if he saw fit to do so, give him a lease of the entire claim.

Of course, the President could not lease it to anybody else, and he was entitled to the lease; so there could be no competitive bidding for it, and that is the foundation for the claim that this policy of leasing without advertisement was pursued by the preceding administration.

Mr. President, the minority report is so well characterized by an editorial appearing on last Saturday in the New York Journal of Commerce, never friendly to this investigation, that I content myself with asking that it be read from the desk; and so conclude my remarks.

The PRESIDING OFFICER. The Secretary will read.

The reading clerk read as follows:

[From the Journal of Commerce and Commercial Bulletin, New York, Saturday, January 17, 1925]

THE WORSE AND THE BETTER

Making the worse appear the better reason is an ancient if not very honorable custom. It is a prevailing practice in politics, where splen-

did examples of it may be found from time to time. One of the best of such is the current report of the Republican minority of the Senate "oil committee," which at this late date is finally made public.

There is no assignment of reasons why the report of this minority should have been allowed to wait the better part of a year before being given out. Such reasons the irreverent reader is likely to find in the fact that a national election has been held in the meantime and in the fact that the subject has been a "ticklish" one from the beginning. There is, however, a more forceful factor than any of these, as the report itself shows. That is that the committee had hard work to put up any sort of a "front." The process of making the worse appear the better argument has not been easy.

But after all, the main facts in the oil scandal have not so wholly faded from the minds of the more intelligent members of the community as the politicians seem to hope. Prosecutions of those guilty in connection with the scandal are still going on, although when and how they will end it is impossible to prophesy. Still the committee is right in its feeling that the real point on which the public wants to be advised is not the nature of Doheny's negotiations with Federal officers or the reason why Sinclair had marines sent to the Teapot Dome, but is the simple question whether the leases were in the public interest or not. As to this the minority has no hesitation in making a plain statement. It frankly says that "the Executive order [transferring the oil lands to the Interior Department] saved millions to the Government and has resulted in conserving in the ground far more oil than would have remained but for the leases."

As to the second great point on which the public has shown interest, the responsibility of Secretary Fall and other members of the Harding administration, the report hastens to repudiate all responsibility, asserting that "crime is individual" and concurring fully with the majority in the criticism of a Cabinet officer "who is shown to have accepted a loan of \$100,000 and certain other favors while in office." How can this be? If the act of the Cabinet officer in question were strictly legal, the leases that he made desirable, and the result that of saving millions of dollars to the Government while conserving oil in the ground, what basis is there for blaming him? He apparently did his full duty, observing the law as he did so. In that case what criticism attaches to him? Moreover, if, as the minority of the committee describes it, he merely accepted a "loan," why should anyone object to that? Many a man has had not merely to accept but to solicit and obtain loans, both out of office and in office.

The report of the committee in short is thoroughly hypocritical and insincere. If the "loan" to Fall was a loan, there is no need of this long report about it and no grounds for complaining of it. If it was a gift, there is reason for asking what the purpose of the gift was. If it was merely a reward of merit for enforcing law and saving fabulous sums to the Government, there is about as much criticism to be attached to the transaction as there would be to the awarding of the Nobel prize to an individual who had made the greatest contribution to science. The whole interest in the transaction centers in the fact that payments should have been made at all for action which was apparently just what the law called for, and which, if loans, were loans of a very special and peculiar character, seeming to differentiate them entirely from other payments of a similar sort. The committee's report in short does not "hold water," but is absurdly lacking in consistency and even in common sense.

Why should the farce of treating this whole subject as an issue in partisan politics be maintained? Either the oil policy that was pursued was unwise from an economic standpoint or not. If it was, the sooner it is changed the better for all concerned. Either those who are guilty of the transactions that have been brought to light were irregular or "crooked" or they were not. If they were, their own party may very well repudiate the responsibility for their acts. What is called for is the honest, straightforward restoration of some policy that will conserve our remaining resources of oil and will bring the offenders, if such they be, to justice. There is neither an attempt to attain or support these objects or any apparent recognition in the committee's report that they are desired. So far as given to the public, the finding is simply an evasive political argument of the kind that has become "staled by custom into commonest commonplace."

Mr. SPENCER. Mr. President, I did not hear the statement of the Senator from Montana as to what the article that has just been read from the desk was. Will he be good enough to tell me?

Mr. WALSH of Montana. An editorial appearing in the Journal of Commerce and Commercial Bulletin, of New York, on last Saturday.

Mr. SPENCER. Mr. President, I undertake to say that the man who wrote that editorial had never read the minority report.

All I want to say in regard to the minority report I can say briefly. It is a minority report. It is signed by only five members of the committee—the Senator from Utah [Mr. SMOOT], the Senator from Oregon [Mr. STANFIELD], the Senator from New Mexico [Mr. BURSUM], the Senator from Arizona [Mr. CAMERON], and myself. The burden of proof is, of course,



upon the minority, because one naturally presumes that the majority report, evidencing the judgment of the committee, is the wiser and the better report.

There is much in the 36 pages of the majority report with which the minority agrees. The fundamental facts upon which they agree are set out in the minority report, but there are some reasons why I undertake to say that no fair man who has read the majority report can approve it, because all through it there are statements, of which I shall in a moment give some illustrations, which are unfounded in fact and are criticisms of coordinate departments of the Government that are most unwise.

I do not believe there is very much difference of opinion in this body about the Bureau of Mines, about its usefulness, and about its high character. I believe most Senators, particularly those from the Western States, with which the Bureau of Mines has most to do, believe that their expert judgment is helpful, necessary, and desirable in the prosecution of the Government's activities. The Bureau of Mines believe, as I believe and as the country believes, that oil in the ground is likely to be drained away and that any policy is a wrong policy that would say of our naval reserves, "We will keep the oil in the ground," for when the oil is needed in the time of emergency it may be found that competing wells which have been drilled will have drained the oil and the oil will not be there for the emergency. That was the opinion of the expert oil men in the Bureau of Mines who knew the field, and that was the reason why Secretary Denby and Secretary Fall said, in effect, "To preserve this oil we will take it out of the ground, we will keep it from drainage, we will store it and not use it for current needs, but keep it for an emergency."

I undertake to say in passing, Mr. President, that due to the fact that we have 1,500,000 barrels of oil stored in Pearl Harbor, in Hawaii, and storage facilities almost completed for 2,400,000 barrels, in addition, not a barrel of it to be used for current needs, but all to be saved for an emergency—I undertake to say that due to this reserve of oil the efficiency of the Navy of the United States, in the judgment of every naval power on earth, has been doubled. It was the wise thing to do.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield.

Mr. WALSH of Montana. The Senator has introduced in the report the same statement he has just now made, that the efficiency of the Navy, by reason of this procedure, has been doubled in the opinion of all the navies of the world. Will the Senator give us a reference to the page of the record on which that testimony appears?

Mr. SPENCER. I can not, Mr. President. It was, as I remember it, a statement concerning our oil reserve, and it is common sense, as well, that if this country has an adequate supply of oil which can be used for the oil burning vessels of the United States in an emergency the efficiency of the Navy is tremendously increased.

Mr. WALSH of Montana. I do not want to engage in any controversy with the Senator upon that subject at all.

Mr. SPENCER. For what purpose did the Senator rise?

Mr. WALSH of Montana. This is a report of the proceedings of this committee. I am simply asking where I can find in the testimony anything in relation to that subject.

Mr. SPENCER. I can not give the Senator the reference off-hand.

Mr. WALSH of Montana. Will the Senator assert before the Senate that there is any testimony of that character in the record at all?

Mr. SPENCER. I will assert before the Senate that my recollection of the testimony is that in our record it was said, what I believe, and that is, that the naval power of the United States was doubled in efficiency by reason of the oil that was available.

Mr. WALSH of Montana. The Senator has now stated that his recollection is that one witness stated some fact.

Mr. SPENCER. That is my recollection.

Mr. WALSH of Montana. That is the best authority the Senator can give for his statement?

Mr. SPENCER. It is.

Mr. CARAWAY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Arkansas?

Mr. SPENCER. I yield.

Mr. CARAWAY. In the minority report I notice that there is a reference to the patriotic action of the Secretary of the Navy, Mr. Denby, and of the Secretary of the Interior, Mr. Fall, and coupling that with the statement the Senator has

just made, that this leasing of these reserves resulted in doubling the efficiency of our Navy, why does not the Senator from Missouri introduce a resolution to instruct our special counsel to dismiss the suits against Doheny and Sinclair, and let this patriotic work go forward?

Mr. SPENCER. Does the Senator really want an answer to that?

Mr. CARAWAY. I am curious to hear the Senator answer.

Mr. SPENCER. If the Senator is sincere about it, there are in that suit legal questions which, of course, ought to be decided.

Mr. CARAWAY. The Senator would not want to have a court decision strike down half the efficiency of the Navy, would he?

Mr. SPENCER. If any illegality attaches to any one of the Government leases, of course it ought to be determined.

Mr. CARAWAY. Then why does not the Senator introduce a resolution to modify the leases, and cure any irregularities in their making, if it was such a patriotic act to perform, and was such a wonderfully helpful thing?

Mr. SPENCER. The Senator answers his question himself, because if the court should decide that those leases were in every particular valid leases and bind the Government, such a resolution would be unnecessary. If it does not so find, this would not be the time for such a resolution.

Mr. CARAWAY. If the court should decide that the leases were valid, will the Senator agree that then he will introduce a resolution to transfer these reserves to Doheny and Sinclair, under the same conditions?

The PRESIDING OFFICER. The hour of 2 o'clock having arrived the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (H. R. 10724) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1926, and for other purposes.

Mr. SPENCER. Mr. President, I want further to answer the Senator from Arkansas.

Mr. WALSH of Montana. I understand the matter now before the Senate is the naval appropriation bill. I want to ask the chairman of the committee in charge of the bill whether he will not consent to lay it aside temporarily until we can conclude the matter which has been under discussion?

Mr. HALE. Does the Senator think that the matter can be settled within a short time?

Mr. WALSH of Montana. I think so.

Mr. HALE. I am very anxious to proceed with the consideration of the Navy Department appropriation bill.

Mr. WALSH of Montana. I think it will be recalled that the Senator from Missouri talked on this subject about four hours on the last day of the last session, so I am sure that he is entirely satisfied to take but little time now.

Mr. HALE. If the Senator from Montana will agree that if his matter takes any great length of time he will allow us to resume consideration of the Navy Department appropriation bill, I shall make no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana that the Navy Department appropriation bill be temporarily laid aside? The Chair hears none, and it is so ordered.

Mr. SPENCER. I want to complete my answer to the Senator from Arkansas. Of course, the legality of the leases will be determined by the court. In case the leases should be declared to be invalid, other leases upon the same terms to Mr. Doheny and Mr. Sinclair—I use their names instead of the companies which they represent—could not, in my judgment, be made by the Government. I will say to the Senator from Arkansas that the lease to Sinclair in the Teapot Dome is a monumental loss to the lessee. I will say to the Senator from Arkansas with regard to the lease in California, the Doheny lease, that there are no commercial leases that begin to equal in advantage to the lessor what the United States gets under the Doheny lease. Either one of those leases, in my judgment, would never be duplicated in the future, so far as value to the United States is concerned.

Mr. CARAWAY. May I ask the Senator another question?

Mr. SPENCER. Certainly.

Mr. CARAWAY. Did not the Senator vote to employ special counsel to try to cancel the leases?

Mr. SPENCER. I have no doubt I did.

Mr. CARAWAY. Then, if they were such advantageous leases and the men involved were such patriotic men, why did the Senator vote to have counsel try to cancel them in the courts when they were so advantageous to the Government?

Mr. SPENCER. Because the statement was repeated in the Senate, in which—if my memory fails not—the Senator from



Montana [Mr. WALSH] concurred that there was illegality in those leases, that the power to grant them did not vest in the Secretaries who made them. Of course, that ought to be determined by the courts irrespective of the merits of the leases, and that is exactly what the courts are doing.

Mr. WALSH of Montana. If that is the view of the Senator, why go to the trouble and expense of litigating to determine a controverted question of law? Why not do what the Senator from Arkansas suggests would be the appropriate thing? The Senator from Missouri could introduce a curative bill.

Mr. SPENCER. The Senator from Missouri was not responsible for going to law in regard to those leases.

Mr. WALSH of Montana. No; but if the Senator is now of the opinion that those leases are of the inestimable value to the country that he now states, and that it would be impossible to get similar leases in case they should be invalidated, why does he not now cure the matter by introducing a bill to validate the whole thing?

Mr. SPENCER. That is neither here nor there in connection with the minority report, though I would like to venture the opinion that the legality of the leases will be upheld, and I repeat that the value of the leases to the Government is, in my judgment, unquestioned.

Mr. WALSH of Montana. Does the Senator believe the leases are legal, and does he also believe they are desirable? Then why not introduce a curative bill and dismiss the action? Is not that the necessary course, if the Senator honestly believes what he says, namely, that the leases are legal and that they are profitable to the Government? Then why not introduce a curative measure, stating that doubt has arisen and declaring that we hereby confirm them?

Mr. SPENCER. Mr. President, I started to say a moment ago and, I repeat to quickly end it, that I believe the Senate has confidence in the Bureau of Mines. Why should the Senate be asked to place itself upon record merely because the Bureau of Mines thought the drainage was far more extensive than other experts did? I think the Bureau of Mines is right. Why should the Senate in its report say, and I am now quoting from the majority report:

If the Secretary of the Interior consulted with anyone competent and experienced in affairs of such magnitude to advise him concerning the terms of the leases viewed as a business proposition, the fact was not developed.

Evidently he conceived himself quite competent unaided to negotiate with such veterans in the oil business as Sinclair and Doheny.

Passing by the slur upon the Department of the Interior, consider this—

Mr. WALSH of Montana. Mr. President—

Mr. SPENCER. Just a moment. Listen to this:

It is true he conferred with officials of the Bureau of Mines, technical men not chosen by reason of their skill or success in business.

And yet the expert skill of the Bureau of Mines is the very bulwark of the mineral wealth of these United States. Adopt the majority report and cast from the Senate of the United States such a reflection upon that great department of the Government, if you like. I do not think it ought to be done, and I do not think it is fair to ask it.

Now, let me give one other illustration.

Mr. GLASS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Virginia?

Mr. SPENCER. I yield.

Mr. GLASS. May I inquire if the Bureau of Mines believed in the process of offset wells to prevent drainage of a given territory?

Mr. SPENCER. They did. The difference in the views is this, if the Senator desires me to state the situation. The Bureau of Mines believe that when a well is dug it has a tendency to drain surrounding territory at considerable distance, perhaps for a mile or two or more, and that the only way to guard the Government oil from drainage through adjacent wells was to sink a sufficient number of offset wells to take out the oil from Government land.

There are others that believe the drainage of one well will drain but a very few hundred feet or within a very short circumference. There is a difference of opinion. I think it is fair to say that the whole trend of opinion of oil experts is to the effect that no one knows how far the drainage of a well may extend, but that it is certainly with every new development greater in its drainage possibility than was thought before.

Mr. GLASS. But does the Senator know that the Bureau of Mines did advise the Secretary of the Navy that the process

of drilling offset wells would secure the Government against drainage of its oil lands?

Mr. SPENCER. I could not answer, if I understand the Senator's question.

Mr. WALSH of Montana. I was more or less desirous of asking the Senator who there is in the Bureau of Mines who is competent to engage from a business point of view in transactions with Doheny and Sinclair?

Mr. SPENCER. We do not want to deal in personalities, but I should say the Director of the Bureau of Mines.

Mr. WALSH of Montana. What does the Senator know about his experience in business matters?

Mr. SPENCER. Does the Senator from Montana think he is an incompetent business man?

Mr. WALSH of Montana. I undertake to say he is a technical man, a very highly skilled man, and I would be the last man in the world to impute to him any lack of skill or technical knowledge, but so far as being a business man compared with Doheny and Sinclair I do not suppose he even pretends to it.

Mr. SPENCER. Would the Senator from Montana say, the Director of the Bureau of Mines with his knowledge of oil, its production, its future, its history, was not competent to make an intelligent lease with regard to its protection?

Mr. WALSH of Montana. I have not said it.

Mr. SPENCER. I am asking the Senator.

Mr. WALSH of Montana. I have said that the Secretary did not consult with men who know the business end of the oil business as did Doheny and Sinclair.

Mr. SPENCER. With whom could he better consult than with the experts of the Bureau of Mines?

Mr. WALSH of Montana. I say he did not consult with anyone. He consulted only with technical assistants.

Mr. SPENCER. They were the very men who had oil leases under their jurisdiction. What better consultation could be had?

Mr. FESS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Ohio?

Mr. SPENCER. Certainly.

Mr. FESS. I am interested to know whether the draining from an underground fissure hundreds of feet below the surface is a matter of business knowledge or a matter of technical science?

Mr. SPENCER. It is undoubtedly a matter of technical science, and that is why the advice and consultation with the Bureau of Mines was precisely the advice that any intelligent man would have secured or endeavored to secure. It is precisely what the Secretary of the Interior did secure.

One thing more: When the matter was up before the committee of the Senate and Admiral Robison, I think, was upon the stand, some query was made seeking information for the committee. Admiral Robison said for the Navy—and my recollection is that the Interior Department concurred—that the information at least in its conception ought to be taken in executive session, that it had international complications. What does the majority of the committee say upon the matter:

No information was conveyed to the committee which in its opinion had not in substance been made public, nor has the committee been able to appreciate how the public interest would be subserved or the common defense promoted by secrecy with reference to any feature of the contract.

This was after the information had been secured from witnesses. It is an illustration of the disrespect shown to coordinate departments of the Government. The Navy and Interior came before the committee and said, in effect, "Gentlemen, the information you want we are ready to give, but it has international complications and we ask that it should be given in confidence"; why should it not have been so given? The language of the majority report indicates that the entire committee were in accord in thus slighting the judgment of the Navy Department. There were five members of the committee present; and two of the members, the Senator from Utah [Mr. SMOOT] and the Senator from Wisconsin [Mr. LENROOT] protested, but the other three members overruled them. It is not a fair method of procedure.

Mr. WALSH of Montana. Mr. President—

Mr. SPENCER. I yield to the Senator.

Mr. WALSH of Montana. The Senator from Missouri came on the committee after practically all those things transpired and does not know anything about them except what he has learned from the record, the same as any other Senator can learn. He apparently has not studied the record. The record discloses that Admiral Robison said there were matters of great



importance that ought to be heard in executive session. The committee went into executive session, contrary to the opinions of some of its members. The committee went into executive session, heard whatever Admiral Robison had to state, and now the committee advises the Senate that there was absolutely nothing said by Admiral Robison in executive session that had not already been made public and that might not just as well have been talked in the open.

Mr. SPENCER. Suppose the Navy Department were mistaken, or the Interior Department were mistaken, in their judgment and that the information did not have the international complications which they supposed it had, what is the object in the majority report of casting a slur upon both these departments of the Government and telling them they did not know what they were talking about?

Another thing, and I am through. I read this sentence to the Senate and ask if there is any Senator who has any doubt as to the impression it will create. The majority report is speaking about the oil leases and the per cent the Government gets and the per cent that the lessee gets. This is in relation to the Teapot Dome leases. Here is the statement that is made by the majority report:

The Government actually realizes for use as fuel but 6 per cent of the total contents of the reserve.

Then in another place, on page 32 of the majority report, and carrying out precisely the same statement, it is said:

Your committee can not believe that a lease under which the Government receives 6 per cent of the oil in the ground and the lessee gets 94 per cent, including what it receives on account of the construction of tankage, can possibly be in the interest of or just to the former.

That is, to the Government. No man can read that statement without coming to the conclusion that in those leases the Government gets 6 per cent and the lessee gets 94 per cent. The language, when analyzed, is adroit. The report says the Government gets 6 per cent "for fuel," and that is true; but what is the fact? The fact is that 6 per cent is just one-third of the average Government royalty. The other two-thirds of the royalty, which the Government could have had in oil if it had wanted it, by the terms of the lease, and at the Government's request, were used in the building of storage tanks to hold the oil. Those tanks, when they were built, belonged to the Government. The Government said in effect to the lessee, "This average of 18 per cent"—the royalty running from 12½ to 50 per cent, we will take the average, for computation purposes, at 18 per cent—the Government said: "Of this 18 per cent average royalty which we get, we want 6 per cent, one-third of it, in oil, and the other two-thirds we want expended in the construction of storage tanks." The Government, however, received its full 18 per cent of royalty, and the lessee did not get 94 per cent. Why make such a misleading statement?

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. I yield.

Mr. WALSH of Montana. I wish to inquire of the Senator from Missouri whether the report does not give the facts just exactly as he has stated them; that the average royalty is about 17 per cent; that one third of that goes into the tanks for fuel, and the other third is used to pay for the construction of the tanks?

Mr. SPENCER. The report does not create that impression.

Mr. WALSH of Montana. The report so states; and the Senator agrees that that is correct?

Mr. SPENCER. The fact is that the Government gets its 18 per cent. The Senator from Montana states it as being 17 per cent, but it is nearer 18 per cent. The Government could have all of the 18 per cent in oil if it so desired, but it takes two-thirds of it in tankage and one-third of it in oil. I am not alleging any bad faith in the majority report, but I am saying that the effect of the majority report is to deceive, and that the average man who reads that statement with regard to royalty would come to the conclusion that the Government, just as the report states, receives 6 per cent and the lessee 94 per cent, and such is not the fact.

I am not going to take up the time of the Senate. If Senators have read the minority report they will see many more illustrations of what I have set out as reasons why, in my judgment, the majority report is not fair. I do not mean to say that there is not much in the report with which I agree; much of it with which the Senate would naturally and properly agree; but the report is biased and unfair in many particulars. The Senator from Montana, as I understand, has moved the adoption of the majority report?

Mr. WALSH of Montana. I have.

Mr. SPENCER. Because of the facts I have stated, I move, Mr. President, that the report of the minority of the committee be substituted for the majority report, and that the minority report be adopted by the Senate.

Mr. CARAWAY. Mr. President, I shall take but a few minutes. If the Senate shall agree with the Senator from Missouri [Mr. SPENCER] that the action of Fall and Denby was inspired solely by patriotic motives; that the contracts they made were so advantageous to the Government that neither of those patriotic gentlemen, Sinclair or Doheny, would again go into those contracts if they should be canceled; that everybody who knows anything about naval affairs agrees that these leases double the strength of the Navy; I should be sorry if the Senator from Missouri did not have the courage of his convictions and introduce a resolution to dismiss those suits which are now pending.

It would be tremendously unfortunate if after Mr. Fall and Mr. Denby had negotiated such advantageous contracts for the Government, inspired wholly by patriotic motives, that we should permit a sentiment that I can not analyze, to drive us into employing counsel and canceling these leases which were entered into, as the Senator from Missouri says, from such patriotic motives and are so highly advantageous to the Government. It would be almost a crime—I would not like to say that the Senator from Missouri could even contemplate committing a crime—but it would be almost a crime to lend his powerful influence, as he did, to employing counsel and passing resolutions and asking the Government to cancel these contracts, if what he now says is true, that there was nothing illegal, as he asserted a moment ago, in entering into the contracts, that there was nothing wrong about it, that the Government was highly benefited by it and the usefulness of our Navy has been doubled. Under such circumstances it would be an unpatriotic thing to let the pending suits proceed.

I wish to suggest to the Senator, if he believes what he said—and, of course, we must concede that he believes it—that it would be a most unexplainable thing if he should now permit the opportunity to go by without trying to remedy the wrong that he helped to perpetrate when he voted to institute those suits. There is nothing wrong about them, I am sure, because the Senator, almost in the opening part of his minority report, which I understand he wrote, makes this statement:

Patriotically—

I am reading now from the fifth paragraph on page 2 of the Senator's report—

Patriotically, Secretaries Denby and Fall sought to effect what would avoid the possibility of a repetition of World War experiences, at least so far as oil was concerned.

If the Senator believes that nothing but patriotism inspired those officers, how can he ever answer to them when he admits that he voted to employ counsel to cancel these leases?

Mr. JOHNSON of California. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from California?

Mr. CARAWAY. I yield to the Senator from California.

Mr. JOHNSON of California. May I inquire, so that the record may be accurate in that regard, first, if the United States Government has not pending actions to cancel these leases?

Mr. CARAWAY. That is true.

Mr. JOHNSON of California. That is undoubted. Secondly, the United States Government in those actions alleges that the leases should be canceled for two specific reasons: First, that there was no power that authorized the execution of the leases; that is, that there was illegality in their execution; and, secondly—and I wish to be corrected if I am in error in it—that the leases were tainted with fraud.

Mr. CARAWAY. And corruption.

Mr. JOHNSON of California. With fraud and corruption. Is that correct?

Mr. CARAWAY. That is true.

Mr. JOHNSON of California. So that the United States Government stands to-day with these actions pending alleging that there was no power to execute the leases, and alleging, too, that they were tainted with fraud and corruption, and asking their cancellation for those reasons?

Mr. CARAWAY. Yes; and the Senator from Missouri [Mr. SPENCER] voted to have instituted those very proceedings. He was a party to the action which resulted in those proceedings; he lent his powerful influence to induce the Senate to adopt the resolution to bring action of that kind against Mr.



Sinclair and Mr. Doheny and to make these accusations against Mr. Fall, when now he asks the Senate—and he pledges his word of honor as a Senator that he believes it to be true—to say that Mr. Fall was actuated only by patriotic motives.

Mr. JOHNSON of California. Then if we vote that these leases were, indeed, actuated only by patriotic motives and that there was legal authority for their execution, we are going to traverse by the action of the United States Senate the action of the United States Government in the suits, are we not?

Mr. CARAWAY. Of course; and we are going to make the biggest asses of ourselves that the earth ever saw.

Mr. SPENCER. Mr. President, will the Senator yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Missouri?

Mr. CARAWAY. I yield.

Mr. SPENCER. Of course, the Senator recognizes that neither in the majority report nor in the minority report is there any attempt to pass upon the questions which the court has now before it?

Mr. CARAWAY. But, if the Senator will permit me, unless there was a conviction on the part of the Senate that there was fraud and illegality in the acts, what induced the Senate to adopt a resolution and to appropriate \$100,000 to employ attorneys and to cancel the contracts? If the Senator is correct now when he says that he has no doubt in his mind that the contracts were legal and the courts are going so to declare; that the contracts were made from the highest and most patriotic motives; and that they were the most advantageous contracts the Government could make, then how can he justify himself for having voted to institute suits against people who are doing such patriotic acts?

Mr. SPENCER. Will the Senator yield?

Mr. CARAWAY. I yield.

Mr. SPENCER. I do not care particularly to justify myself in the matter, but I should like to have the fact clearly understood that allegations were made here upon the floor that there was fraud; that the leases were bad and that the leases were illegal—

Mr. CARAWAY. Yes.

Mr. SPENCER. And they were strongly sustained.

Mr. CARAWAY. But the Senator did not believe them.

Mr. SPENCER. I had doubt—

Mr. CARAWAY. The Senator did not believe them at all?

Mr. SPENCER. If the Senator will allow me to finish the sentence, I had doubt as to the legal authority, of which I am not sure to-day, though, as I said a moment ago, I will not be surprised if the court sustains the legality of those contracts. I myself believe the leases were good leases. Nevertheless, in the face of such assertions, I did precisely what the Senator would have done, and that is there being any doubt about the matter, my colleagues differing about it, of course, the courts should decide it; and I would do the same thing again.

Mr. CARAWAY. I would like to know how the Senator from Missouri [Mr. SPENCER] will ever justify himself toward Sinclair and Doheny when he went on record in the Senate in favor of employing counsel to charge them with fraud and illegality in the procuring of leases and now votes for a minority report in which he declares that there was no fraud, no illegality, no corruption, and nothing but patriotic motives that inspired them and the governmental officials in making the leases; that they were the most advantageous leases that the Government ever made, and were so advantageous that if the courts should cancel them he has no belief that Mr. Doheny and Mr. Sinclair would let the Government hand to them again the Teapot Dome and the oil reserves Nos. 1 and 2 in California.

Of course, Mr. Doheny said—but he did not know what he was talking about—that he would be awfully surprised if he did not make \$100,000,000 out of the lease that he took from the Government for naval reserves 1 and 2 in California. Now, however, the Senator has found out that Doheny does not know anything about the oil business; that nobody knows anything about the oil business except Fall and Denby, who got these two unsuspecting oil magnates into this outrageous contract and mulcted them to the tune of hundreds of millions of dollars for the public good.

Another thing: The Senator is an officer of this Government. It is his duty to help maintain its every arm. If he conscientiously believes that these contracts doubled the effectiveness of our Navy, how can he, then, justify himself for voting to have initiated a lawsuit to cancel these very leases?

The minority report is full of just such shining examples of contradictions.

Mr. WALSH of Massachusetts. It is a cross-word puzzle.

Mr. CARAWAY. Oh, no; let us not slander a cross-word puzzle. It has more to justify itself than this minority report. But unless the Senate wants to go on record as being unpatriotic, as being now willing to write itself down as a party to a "persecution" of Fall and Denby and Sinclair and Doheny, it will have to vote against the minority report. It is unthinkable to me that a Senator who cherishes his self-respect could in one breath vote to institute a suit charging fraud and corruption and in the next say there was no fraud, there was no corruption, but, on the other hand, a most advantageous and patriotic duty discharged. I can not follow that reasoning.

Mr. REED of Missouri. Mr. President, I rose to congratulate the State of Missouri upon possessing a representative so amiable and so innocent that, like the three Japanese monkeys, he sees no evil, he hears no evil, and he speaks no evil, and consequently is duly qualified to defend all evil; an innocent abroad in the intellectual and political world who finds virtue in every act and with unblushing countenance can defend every infamy. That is a rare and unusual trait of character, and parliamentary rules forbid me from giving it a direct application.

I recall, however, that when the country was startled with the story of Newberry's bribery and corruption, when a shiver of horror went over the land at the knowledge that an electorate had been bought and sold, and that the second highest office within the gift of the greatest people on earth—a seat in the United States Senate—had been placed, in substance and effect, upon the auction block and knocked down to the highest bidder, the distinguished Senator from Missouri saw no evil, heard no evil, spoke no evil, but rose in eulogy and defense of that man who afterwards, with bowed head and shamed face, resigned from the Senate to escape a further investigation.

I recall how, with an innocence that would do credit to a babe yet "mewling and puking in the nurse's arms," he saw nothing wrong in the conduct of Daugherty, but only a halo of virtue surrounding the head of that gentleman who afterwards was compelled by the President of the United States to yield his resignation and to vanish from public life.

I remember when a committee of the Senate was endeavoring to secure the bank books of the bank in which Daugherty's brother was an officer, in order that they might examine the accounts and ascertain from the records whether moneys had passed to the credit of Daugherty and to secure evidence tending to his conviction, how the Senator from Missouri insisted upon the floor of the Senate that there was grave doubt whether the right existed in pursuit of evidence of a high crime to examine the books of this bank. Unfortunately it was more than the expression of a legal doubt; it was the attempt to place an obstacle in the way of the processes of the law.

I recall how he stood then in the defense of Denby, seeing no evil, hearing no evil, thinking no evil; and yet I recall that Denby was forced from office and yielded his resignation.

All this of the past; but I never expected to see the day when in the United States Senate any man would rise in his place and endeavor by perfervid oratory to create a halo of patriotism and place it upon the brow of Albert Fall and to give him that glorification in connection with the very transactions which took place coincident with and are inseparable from the payment to Fall of \$100,000 as the price of his official soul.

I read from the minority report:

Secretaries Denby and Fall, with equal patriotism—

That is, patriotism equal to that of Mr. Daniels—

with equal patriotism, had a different conception of preparedness.

Again:

Patriotically, Secretaries Denby and Fall sought to effect what would avoid the possibility of a repetition of World War experiences.

Patriotically! Yet interwoven in these contracts, which are interlocked with each other by time and circumstance, and were all part and parcel of the warp and the woof of this infamy that blackened the character of the Republic, was the payment of the \$100,000 bribe; and in the history that followed was the development of the misuse by Government agents of the secret telegraphic code of the Government, the obstruction of the processes of justice, the horrible flood of scandal which was finally developed into fact before a committee of the Senate; and even now as we sit here and deliberate we find that apparently the records of a Canadian corporation, organized for the purpose of paying further moneys to Fall, have disappeared, and the officers and agents of that corporation are



conveniently in Paris or hunting wild animals in South Africa and unable to answer the subpoenas of this Government.

Now, when the Government is engaged in a struggle to recover that of which it was defrauded, we find a Senator of the United States who voted for the prosecutions which charged fraud, fraud in the execution of these leases, fraud upon our Government through the corrupt hands of Fall, writing a eulogy of Fall's patriotism and declaring upon the floor of the Senate, as he has in the last 10 minutes, that he doubted the illegality or the corruption of the leases at the very time he voted to make these charges.

Mr. President, further comment is not necessary. The eloquence of Demosthenes could not in words paint a halo around the brow of Albert Fall that would not be so manifestly fraud itself that all of the people of the United States could see through that halo the fraudulent hand of the man who sought to portray it.

Mr. SPENCER. Mr. President, I want to make one statement. Somewhere in the Good Book it is written that—

He that is first in his own cause seemeth just, but his neighbor cometh and searcheth him.

My distinguished colleague has seen fit to speak about me. Of his personal allusions I have nothing to say; they are characteristic of himself. I do want to read one sentence from the minority report concerning Albert Fall. Let this sentence answer. It is what I wrote.

The minority concur in the full measure of criticism which the majority indulge upon the conduct of a Cabinet officer who is shown to have accepted a loan of \$100,000 and certain other favors while in office.

This is my own language:

Such acts can not be tolerated and are not to be condoned. If the claim that these favors were in the nature of bribes is sustained in the criminal proceedings already begun, punishment adequate and prompt will follow. Crime is individual and guilt is personal. Under the Constitution men are presumed to be innocent until proven guilty, but whether the participants be in fact guilty under the law or innocent, the act itself is most reprehensible, causes national humiliation, and can not be overlooked.

That is the halo around the brow of Mr. Fall.

Mr. REED of Missouri. In that connection—

Mr. SPENCER. Just a moment, and I will yield with pleasure.

I want to repeat all I said about Secretary Denby. No fairer, more patriotic, more diligent man has been in the Cabinet during my acquaintance with public life, and I am glad to reiterate everything I have said in praise of his patriotism, his integrity, and his character.

I would also like to repeat what I have said before concerning the power of the Senate in investigations, a matter that is now before the courts, and concerning which I believe the Senate has gone further than under the Constitution it is authorized to go.

Of course, the reference to the former Attorney General, Mr. Daugherty, is gratuitous, for there is no mention of Mr. Daugherty's name in the minority report, from the beginning to the end of it. Nor is there any mention of Senator Newberry, whose reputation at home and whose conduct in the Senate is quite beyond the power of my colleague to belittle.

Mr. REED of Missouri. Mr. President, I accept the correction, but I ask its consideration. "The loan of money to Fall," says the minority report. Who but a fool believes it was a loan?

"The presumption of innocence," says the minority report, and of course the law, in its charity, extends that to the culprit on trial. But when guilt has been proven here, we have a right to reach a conclusion.

The Senator is fond of the Scriptures, devoted to Holy Writ, and let me say to him that he reminds me of a passage in Holy Writ, as I consider him in connection with his minority criticism:

Deal gently for my sake with the young man Absalom.

Truly, he has been gentle, and reading the eulogy to Fall's patriotism in the first instance, and a reference to the loan in the last instance, and the presumption of innocence running through it all, who can say that the stoutest and boldest defender of Albert Fall who has yet risen is not my distinguished colleague from Missouri?

Some day we will erect a monument to him. It will be of the purest white marble, and we will inscribe on it the legend of the culprits he has defended upon the floor of the Senate, and we will proclaim the new doctrine, not that "There is

nothing new under the sun," but "There is nothing wrong under the sun."

Mr. HEFLIN. Mr. President, of course, I am opposed to the minority report. The minority report states in the outset that it agrees with the majority report in that only one Federal official has been guilty of fraud and corruption. I do not so understand the majority report, and if that is the situation I can not agree with the majority report.

I think that Denby was as guilty as Fall. If Denby had not been a Member of the House at the time Ballinger did with the coal lands of Alaska exactly what Denby and Fall did with the oil reserves, I might have thought he was innocent; but when I recall that when Ballinger was investigated, charged with the crime of squandering the public domain, Denby was appointed on the committee on the part of the House to serve with a like committee on the part of the Senate to investigate those charges. I can not believe that Denby was innocent. There is no doubt in my mind that Ballinger was guilty, but that committee exonerated him, just as the Senator from Missouri seems now seeking to do with reference to some people involved in this high crime against the country. But Ballinger left the Cabinet, just as Denby did. He knew he was guilty, and public opinion was so strong against him he could not remain in the Cabinet, and he quit it.

Denby signed a report exonerating Ballinger. He knew, in the minutest detail, all that Ballinger had done in order to steal the coal lands from his Government and sell them to the coal kings. He knew all about that, and when he came to be Secretary of the Navy and this oil proposition was put up to him by Doheny and Sinclair he knew exactly what he was doing. He had the example of Ballinger to go by, and he followed it, and he did as Ballinger had done. The difference between them was that Ballinger's transaction was with regard to coal and Denby's transaction was with regard to oil.

Fall was more unfortunate than Denby. He probably did not take the precaution to cover his tracks as Denby did. They found him with a suitcase full of bills, a hundred thousand dollars. That is not all that Fall got. That is not all that Doheny and Sinclair paid. I never will subscribe to the doctrine that that was all the money that was spent. I am satisfied that Doheny and Sinclair paid more than a million, maybe two or three million, because one of them swore that he would probably make a hundred million out of his part—Doheny—and Sinclair two hundred million out of his part. Of course, they could very well afford to give a million or so to these gentlemen who were so generous and liberal with the property of the Government, in turning over to them the only oil reserves of the Nation.

I am not in favor of exonerating Mr. Denby. I think he was just as guilty as Fall. I think both of them understood perfectly what they were doing. I can not believe that Denby sat there and permitted himself to be drawn into this trap by Fall without knowing exactly what he was doing every step of the way.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator yield to the Senator from Montana?

Mr. HEFLIN. I yield.

Mr. WALSH of Montana. I am very glad the Senator spoke about that matter, because repeatedly it has been said that the majority report exonerates Denby. Mr. Denby is neither condemned nor exonerated in the majority report. The facts are stated. We do not attempt to characterize his acts at all.

Mr. HEFLIN. I am glad to have that statement from the able Senator from Montana, because I do not want to vote to exonerate Denby. If all the Senators in this Chamber vote to exonerate him, I will believe as long as I live that he was just as guilty as Fall, and I state again that I base that belief upon what I know of Denby's conduct in this matter and upon the fact that he had experience with a case like it when he investigated Ballinger's case, and then came himself as an officer in the Cabinet and did the very same thing with regard to another kind of property. Of course he knew what he was doing. Fall knew what he was doing, too. He should never have been in the Cabinet, nor should Denby have ever been in the Cabinet.

The speech of the Senator from Missouri reminds me of what I said when this matter was up in the Senate during the investigation led by the able Senator from Montana. The junior Senator from Wisconsin [Mr. LENBOON] made a speech one day and talked about the oil leases, and said he did not think they were so bad as some of us thought they were. I told the Senate then that the day was not far distant when some Republican would defend those leases; and we have come to that time now. The Senator from Missouri [Mr. SPENCER] is doing that.

I shall not be surprised in the least to see an effort made finally to have our lawsuits against Sinclair and Doheny defeated, as I now see mysterious influences working to acquit Forbes, who stole millions from the disabled soldiers who wasted their strength and spilt their blood and offered their lives on the battle fields of France. I will not be surprised if he is acquitted, because I think I see mysterious influences at work to that end.

Senators, surely we are not trying to clean up here and give some political party a clean bill of health when these thieves in high places have looted the public. The time has come to talk plainly about this matter. Doheny and Sinclair were guilty of corrupt and reprehensible conduct. They contributed money—big money—to the campaign funds of the Republican Party in advance of the time when Fall and Denby transferred the naval oil reserves to them.

O Mr. President, we at least ought to be faithful to the Government. Political parties have no right to gather their campaign funds from private individuals and pay them back in property that belongs to the people. Are we going to give to the lumber kings the choice trees in our national forests in return for their contributions? Are we going to give to the coal kings the coal lands of the Government in return for their contributions? Are we going to deed to the oil kings the oil lands of the Nation in return for their contributions? Let us at least be fair to ourselves and faithful to the country and find these people guilty, as they are guilty according to the facts.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri [Mr. SPENCER] to adopt the minority report instead of the majority report.

Mr. WALSH of Montana. On that I call for the yeas and nays.

The yeas and nays were ordered.

Mr. WALSH of Montana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Bingham	Fernald	McKinley	Shields
Borah	Ferris	McLean	Shipstead
Brookhart	Fess	McNary	Simmons
Broussard	Fletcher	Mayfield	Smith
Bruce	Frazier	Means	Smoot
Bursum	George	Metcalf	Spencer
Butler	Glass	Neely	Stanley
Cameron	Gooding	Norbeck	Sterling
Capper	Hale	Norris	Swanson
Caraway	Harris	Oddie	Underwood
Copeland	Harrison	Overman	Wadsworth
Couzens	Heflin	Pepper	Walsh, Mass.
Cummins	Johnson, Calif.	Phipps	Walsh, Mont.
Curtis	Jones, Wash.	Pittman	Warren
Dial	Kendrick	Ralston	Watson
Dill	Keyes	Ransdell	Wheeler
Edwards	King	Reed, Mo.	Willis
Ernst	McKellar	Sheppard	

The PRESIDENT pro tempore. Seventy-one Senators have answered the roll call. There is a quorum present. The question is on the motion of the Senator from Missouri [Mr. SPENCER], upon which the yeas and nays have been ordered. The clerk will call the roll.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES]. I transfer that pair to the senior Senator from Rhode Island [Mr. GERRY] and vote "nay."

Mr. CURTIS (when his name was called). I have a pair with the senior Senator from Arkansas [Mr. ROBINSON]. I transfer that pair to the junior Senator from Oregon [Mr. STANFIELD] and vote "yea." Were the Senator from Arkansas [Mr. ROBINSON] present, he would vote "nay"; and if the Senator from Oregon [Mr. STANFIELD] were present, he would vote "yea."

Mr. FERNALD (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. JONES]. I transfer that pair to the senior Senator from Maryland [Mr. WELLER] and vote "yea."

Mr. FLETCHER (when his name was called). I have a general pair with the senior Senator from Delaware [Mr. BALL], who is absent. I transfer that pair to my colleague, the junior Senator from Florida [Mr. TRAMMEL], who is necessarily absent, and vote "nay."

Mr. McNARY (when his name was called). Upon this question I am paired with the senior Senator from New Jersey [Mr. EDGE]. If that Senator were present, he would vote "yea." If I were at liberty to vote, I would vote "nay."

Mr. SIMMONS (when his name was called). I wish to inquire whether the junior Senator from Oklahoma [Mr. HARBOLD] has voted?

The PRESIDENT pro tempore. That Senator has not voted. Mr. SIMMONS. I have a general pair with that Senator. I transfer the pair to the Senator from Arizona [Mr. ASHURST] and vote "nay."

The roll call was concluded.

Mr. CARAWAY. I wish to announce that my colleague, the senior Senator from Arkansas [Mr. ROBINSON], is unavoidably absent. If present, he would vote "nay."

Mr. PEPPER. I wish to state that my colleague, the junior Senator from Pennsylvania [Mr. REED], who is unavoidably absent, has a general pair with the junior Senator from Delaware [Mr. BAYARD]. I am informed that if my colleague were present, he would vote "yea" on this question.

Mr. FRAZIER. I wish to announce that my colleague, the senior Senator from North Dakota [Mr. LADD], is absent on account of ill health. If he were present, he would vote "nay" on this question.

Mr. NORRIS. I was requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE], who is absent on account of illness, if present, would vote "nay."

Mr. HARRISON. I desire to announce that my colleague, the junior Senator from Mississippi [Mr. STEPHENS], is detained on account of illness and that if present he would vote "nay."

Mr. SHIPSTEAD. I desire to state that my colleague, the junior Senator from Minnesota [Mr. JOHNSON], if present, would vote "nay."

The result was announced—yeas 28, nays 42, as follows:

YEAS—28			
Bingham	Ernst	McKinley	Smoot
Bursum	Fernald	McLean	Spencer
Butler	Fess	Means	Sterling
Cameron	Gooding	Metcalf	Wadsworth
Capper	Hale	Oddie	Warren
Cummins	Jones, Wash.	Pepper	Watson
Curtis	Keyes	Phipps	Willis

  

NAYS—42			
Borah	Fletcher	Mayfield	Shipstead
Brookhart	Frazier	Neely	Simmons
Broussard	George	Norbeck	Smith
Bruce	Glass	Norris	Stanley
Caraway	Harris	Overman	Swanson
Copeland	Harrison	Pittman	Underwood
Couzens	Heflin	Ralston	Walsh, Mass.
Dial	Johnson, Calif.	Ransdell	Walsh, Mont.
Dill	Kendrick	Reed, Mo.	Wheeler
Edwards	King	Sheppard	
Ferris	McKellar	Shields	

  

NOT VOTING—26			
Ashurst	Greene	Lenroot	Shortridge
Ball	Harrell	McCormick	Stanfield
Bayard	Howell	McNary	Stephens
Dale	Johnson, Minn.	Moses	Trammell
Edge	Jones, N. Mex.	Owen	Weller
Elkins	Ladd	Reed, Pa.	
Gerry	La Follette	Robinson	

So Mr. SPENCER's motion to substitute the views of the minority for the majority report was rejected.

The PRESIDENT pro tempore. The question now recurs upon the motion of the Senator from Montana [Mr. WALSH].

Mr. HEFLIN. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BRUCE. Mr. President, I have no desire whatever to rekindle the embers of the controversy that was waged over the facts involved in these reports at the last session of Congress, nor have I the slightest disposition to deny to any Member of this body on either side of the Chamber the right to reach conclusions with regard to them different from my own. Politics, I am happy to say, has always been with me a mere conflict of principles. I have struggled all my life to import into the formation of my political convictions just as small an element of partisan or personal feeling as, with the infirmities of human nature, I could do.

I wish it now to be understood, first of all, that I voted against the substitution of the minority for the majority report in this case, and that I propose to vote for the adoption of the majority report, because I concur in the main, though by no means in all respects, with the statements and conclusions contained in that report.

The opinions that I have ever entertained with regard to the essential merits of the controversy to which I have referred do not call for any restatement. I have too often expressed my convictions touching them for that, and I need not emphasize again the profound impression left upon my mind by the turpitude of Albert Fall. I wish it to be distinctly understood, however, that if the majority report imputes to Denby anything more than mere technical shortcomings, at the most, in the discharge of his official duty, to that extent at least I do not agree with its conclusions; and I now formally place



upon record the fact that in my opinion Edwin Denby is an eminently brave, honorable, and upright man.

Mr. HEFLIN. Mr. President, the Senator from Maryland, of course, is entitled to his opinion. The Senator from Maryland, however, was not here when the Ballinger case was tried, and I dare say he has never read the report thereon. He is not acquainted with the facts involved in it. If the Senator from Maryland desires, at the judgment bar of his own mind, to exonerate Mr. Denby, he is at liberty to do so. The opinion and position of the Senator in this matter do not in the least affect my position. I desire to reiterate that in my judgment Denby was as guilty as was Fall.

The PRESIDING OFFICER (Mr. McNARY in the chair). The question is upon the motion of the Senator from Montana [Mr. WALSH].

Mr. HEFLIN. The yeas and nays have been ordered, Mr. President.

The PRESIDING OFFICER. The Chair will state to the Senator from Alabama that the yeas and nays are again ordered.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). Making the same statement as before in reference to my pair and its transfer, I vote "yea."

Mr. CURTIS (when his name was called). I have a pair with the senior Senator from Arkansas [Mr. ROBINSON], which I transfer to the junior Senator from Oregon [Mr. STANFIELD], and vote "nay."

Mr. FRAZIER (when Mr. LADD's name was called). My colleague, the senior Senator from North Dakota [Mr. LADD], is unavoidably absent. If he were present, he would vote "yea."

Mr. NORRIS (when Mr. LA FOLLETTE's name was called). I am requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is absent on account of illness and that, if he were present, he would vote "yea."

Mr. McNARY (when his name was called). Repeating the announcement of my pair with the Senator from New Jersey [Mr. EDGE], I withhold my vote.

Mr. SIMMONS (when his name was called). Making the same announcement as to the transfer of my pair as on the previous vote, I vote "yea."

The roll call was concluded.

Mr. FLETCHER. I make the same announcement as to my pair and transfer as on the previous vote, and vote "yea."

Mr. FERNALD. Making the same announcement as before with reference to my pair and its transfer, I vote "nay."

Mr. SHIPSTEAD. I wish to announce that my colleague [Mr. JOHNSON of Minnesota] is unavoidably absent from the Senate. If he were present, he would vote "yea."

Mr. WALSH of Montana. The Senator from New Mexico [Mr. JONES] is unavoidably absent. Were he present he would vote "yea."

I desire also to announce that the Senator from Arkansas [Mr. ROBINSON], who is unavoidably absent, if present, would likewise vote "yea."

I desire to make a further announcement, namely, that if the Senator from Delaware [Mr. BAYARD] were present he would vote "yea." He is paired with the Senator from Pennsylvania [Mr. REED], who, I am informed, would vote "nay" were he present.

Mr. BROUSSARD. I am requested to announce that if the senior Senator from Rhode Island [Mr. GERRY] were present he would vote "yea."

The result was announced—yeas 41, nays 30, as follows:

#### YEAS—41

Borah	Frazier	Neely	Simmons
Brookhart	George	Norbeck	Smith
Broussard	Glass	Norris	Stanley
Bruce	Harris	Overman	Swanson
Caraway	Harrison	Pittman	Underwood
Copeland	Heflin	Ralston	Walsh, Mass.
Dial	Johnson, Calif.	Ransdell	Walsh, Mont.
Dill	Kendrick	Reed, Mo.	Wheeler
Edwards	King	Sheppard	
Ferris	McKellar	Shields	
Fletcher	Mayfield	Shipstead	

#### NAYS—30

Bingham	Ernst	McKinley	Spencer
Bursum	Fernald	McLean	Sterling
Butler	Fess	Means	Wadsworth
Cameron	Gooding	Metcalf	Warren
Capper	Hale	Oddie	Watson
Couzens	Jones, Wash.	Pepper	Willis
Cummins	Keyes	Phipps	
Curtis	McCormick	Smoot	

#### NOT VOTING—25

Ashurst	Greene	Lenroot	Stanfield
Ball	Harrell	McNary	Stephens
Bayard	Howell	Moses	Trammell
Dale	Johnson, Minn.	Owen	Weller
Edge	Jones, N. Mex.	Reed, Pa.	
Elkins	Ladd	Robinson	
Gerry	La Follette	Shortridge	

So the report submitted by Mr. WALSH of Montana was agreed to.

#### BRIDGES ACROSS BATOU BARTHOLOMEW, LA.

The PRESIDENT pro tempore laid before the Senate the amendment of the House of Representatives to the bill (S. 3622) granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Bayou Bartholomew at each of the following-named points in Morehouse Parish, La.: Vester Ferry, Ward Ferry, and Zachary Ferry, which was on page 1, line 3, after the word "the," where it appears the second time, to insert the following: "Polish Jury of Morehouse Parish, La., or the."

Mr. RANDELL. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

#### OHIO RIVER BRIDGE

The PRESIDENT pro tempore laid before the Senate the bill from the House of Representatives (H. R. 10467) granting the consent of Congress to the Huntington & Ohio Bridge Co. to construct, maintain, and operate a bridge across the Ohio River between the city of Huntington, W. Va., and a point opposite in the State of Ohio, which was read twice by its title.

Mr. NEELY. Mr. President, I ask unanimous consent for the immediate consideration of that bill, which is identical with one recently passed by the Senate. A necessary public improvement will be stayed until this bill is enacted into law.

Mr. CURTIS. Mr. President, as I understand, the bill is a regular bridge bill, and in the regular form.

Mr. NEELY. It is in the regular form.

Mr. CURTIS. It will not take any time, I understand.

The PRESIDENT pro tempore. The Senator from West Virginia asks unanimous consent for the immediate consideration of House bill 10467, being a bill, as explained by the Senator from West Virginia, identical with a bill recently passed by the Senate. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

#### BREAKING OF SEALS OF RAILROAD CARS IN INTERSTATE COMMERCE

Mr. SMITH. Mr. President, there is a matter here of considerable local importance to the States of Missouri and Kansas. The committee has authorized me to report back favorably, without amendment, House bill 4168, which purports to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments," and so forth. The Federal law has no jurisdiction within a State, and it so transpires that this river dividing the two States makes it practically impossible for those violating the law to be punished.

I ask immediate consideration of the bill. I do not think it will lead to any discussion.

Mr. CURTIS. Mr. President, is this a unanimous report from the committee?

Mr. SMITH. A unanimous report. I do not think it will lead to any discussion, and I ask for its immediate consideration.

Mr. HALE. Mr. President, I should like to ask the Senator if there is any opposition to this bill?

Mr. SMITH. None whatever that I have heard of. It is to give local relief, and the committee reported it unanimously.

Mr. HALE. Very well. I will consent to the taking up of this matter, with the understanding that this is the last time I will yield.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4168) to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process

of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception of the same," approved February 13, 1913 (37 Stats. L. 670).

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

#### NAVY DEPARTMENT APPROPRIATIONS

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 10724) making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1926, and for other purposes.

The PRESIDENT pro tempore. The pending amendment is the amendment proposed by the Senator from Washington [Mr. DILL]; and the question is upon agreeing to that amendment.

Mr. COPELAND obtained the floor.

Mr. DILL. Mr. President, before that question is put I desire to continue the speech I was making yesterday, but I understand that the Senator from New York has the floor.

#### ISLE OF PINES TREATY

Mr. COPELAND. Mr. President, I desire to address myself to the question of ratifying the treaty with Cuba for the adjustment of title to the ownership of the Isle of Pines.

Mr. President, during the last quarter of a century many Senators have discussed our relations to Cuba. But we appear to be no nearer a solution of the treaty problem than we were when it was first presented for ratification.

Senator M. E. Clapp, then Senator from Minnesota, had an article entitled "Have we mislaid a valuable possession?" in the North American Review for September, 1909. He quoted article 2 of the treaty and said:

The language here used is entirely different from that employed in the same treaty with reference to Cuba, which was that "Spain relinquishes all claim to sovereignty over or title."

How familiar is this argument!

Clapp continues:

The expression "other islands" was held by the United States Government to include the Isle of Pines. \* \* \* That such was the understanding of the American commissioners who negotiated the treaty has been, it is stated, specifically admitted by at least two of the commissioners, Senators Cushman K. Davis and William P. Frye.

Clapp and Frye were contemporaries in the Senate, both being here between 1901 and the death of Senator Frye in August, 1911. The article from which I quote was printed in 1909, and was never disputed by the latter.

The belief of Davis and Frye was shared by others having full knowledge. In an annex to protocol No. 9 of the Paris conference the Spanish commissioners said:

They [the United States] did claim sovereignty over the latter [Porto Rico] and over the other islands surrounding Cuba, which will render impossible the independence of the latter, which will always have it at their mercy through their control over the islands surrounding it like a band of iron. (P. 82, S. Doc. No. 62.)

I want to be perfectly fair in the presentation of my argument. To this end it is only just that I should give the Senate the other side of this picture. In the November number (1909) of the North American Review "Cuba's claims to the Isle of Pines" was presented by Gonzalo de Quesada, former minister of Cuba to the United States.

In this article Quesada refers to the language of the Spanish commissioners quoted by Clapp as an "ex parte statement" and "far-fetched." He said it—

only shows the spiteful animus of Spain toward Cuba and was a contemptible innuendo hinting at duplicity in the motives of this great country [United States].

There can be no doubt, however, that commissioners on both sides and their contemporaries believed the Isle of Pines is an American possession, or should be.

#### THE INTERLOCKING OF COALING LEASE AND PROPOSED TREATY

In his able address on January 15, the Senator from Virginia [Mr. SWANSON] said of the Platt amendment, that—

instead of lessening our obligation to ratify this treaty and confirm Cuba's title to the Isle of Pines, the amendment and the transactions thereunder made far more imperative our duty to do so promptly and willingly.

He links up the establishment of the coaling and naval stations at Guantanamo and Bahia Honda, with an implied obligation to cede to Cuba the Isle of Pines. The Senator pointed

out the coincidence of date and circumstance as a reason for believing that the two papers—the unconfirmed treaty with Cuba and the agreement as to the lease of the lands for the coaling and naval stations—should be considered as parts of a single transaction.

I regret I can not agree with this conclusion. It does not seem remarkable to me that a commission, identical in personnel and appointed to deal with several matters of mutual interest, should terminate all its functions on a given day. Parchments, ink, and conveniences would naturally be provided on the one occasion. If there were collusion and conniving, secret diplomacy and understanding, they are not to be tolerated or condoned. I do not believe there was such abuse of power.

The Platt amendment related to eight separate and unrelated duties imposed upon Cuba.

Article I denied to Cuba the right to impair her independence by treaty with a foreign power.

Article II defined Cuba's fiscal policies.

Article III recited the right of the United States to intervene to preserve the independence and repose of Cuba.

Article IV validated the acts of the military occupancy by the United States.

Article V guaranteed the sanitation of Cuba.

Article VI stated—

That the Isle of Pines shall be omitted from the proposed constitutional boundaries of Cuba, the title thereto being left to future adjustment by treaty.

Article VII read as follows:

That to enable the United States to maintain the independence of Cuba, and to protect the people thereof, as well as for its own defense, the Government of Cuba will sell or lease to the United States lands necessary for coaling or naval stations at certain specified points, to be agreed upon with the President of the United States.

Article VIII demanded—

That by way of further assurance the Government of Cuba will embody the foregoing provisions in a permanent treaty with the United States.

If the American commissioners made any trade or promise such as is implied by the Senator from Virginia, it was entirely without authority of the Congress and in violation of the Platt amendment. As a matter of fact, however, even though at this day it may be considered inadequate, the consideration for the transfer of the lands for the coaling stations is plainly stated in article 1 of the lease of the naval stations. This particular transaction was closed when the ratifications were exchanged in the city of Washington, October 2, 1903. This carried out Article VII of the Platt amendment and is in no way related to Article VI which has to do with the Isle of Pines.

If Senators consider the compensation given for these lands for coaling stations was not adequate, I suggest that the matter be made the subject of further negotiations with the Cuban Government. But it must be seen that the lease of the coaling stations and the status of the Isle of Pines are absolutely unrelated matters.

The unfortunate wording of Article II in the proposed treaty has given rise to serious misunderstanding. I hope it may not lead to strained relations between Cuba and the United States.

Listen to the wording:

ART. II. This relinquishment on the part of the United States of America of claim of title to said Island of Pines is in consideration of the grants of coaling and naval stations in the island of Cuba heretofore made to the United States of America by the Republic of Cuba.

As I have pointed out, even though Senators may not agree as to the adequacy of the consideration, the contract for the coaling stations was fully carried out by the fulfillment of the terms of the lease of October 2, 1903.

There is a further and, from Cuba's standpoint, a very important consideration expressed in the Platt amendment, which is that the chief purpose of the establishment of these coaling stations is—

to enable the United States to maintain the independence of Cuba and to protect the people thereof.

By what right did the authors of the proposed treaty insert Article II, proposing to relinquish claims to the Isle of Pines as the—

consideration of the grants of coaling and naval stations in the island of Cuba heretofore made to the United States of America by the Republic of Cuba?



Cuba's claim on account of the naval station lands was fully satisfied by the annual payments provided by Article I of the lease approved by the powers October 2, 1903.

Now let us consider Article II of the proposed treaty. What is its purpose?

If the United States owns the Isle of Pines it can not sell the island through the operation of a treaty. The only way the possessions of the United States can be disposed of is by action of the Congress, and not through the ratification of a treaty by one house of the Congress.

The Senate has no more right to dispose of the national domain than has a private individual the right to deed it away. It is ridiculous to talk about relinquishing claims of title as the valuable "consideration" for some other piece of land. Should we ever be so shortsighted as to relinquish our claims to the Isle of Pines, I pray that Article II may be eliminated from the treaty, so that our action may be placed on higher grounds than is implied by the present wording.

#### THE SUPREME COURT DECISION

When the American military governor of the island of Cuba, at Habana, May 20, 1902, turned over to the President and Congress of Cuba, "the government and control of the island," he addressed a letter to those officials. In this document it was stated:

It is understood by the United States that the present government of the Isle of Pines will continue as a de facto government, pending the settlement of the title to the said island by treaty, pursuant to the Cuban constitution and the act of Congress of the United States approved March 2, 1901.

President T. Estrada Palma replied as follows:

It is understood that the Isle of Pines is to continue de facto under the jurisdiction of the Government of the Republic of Cuba, subject to such treaty as may be entered into between the Government of the United States and that of the Cuban Republic, as provided for in the Cuban constitution and in the act passed by the Congress of the United States and approved on the 2d of March, 1901.

Even to a layman unlearned in the law it is obvious that the Supreme Court did exactly right in the case of *Pearcy v. Stranahan*, United States 205. No other opinion would be possible, as I view it, except to say as did the court:

The Isle of Pines under the provisions of the Platt amendment and the constitution of the Republic of Cuba is de facto under the jurisdiction of the Republic of Cuba and, as the United States has never yet taken possession thereof, it has remained and is foreign country within the meaning of the Dingley Tariff Act of 1897.

No other decision would be possible under the conditions antecedent to and immediately concerned with the transfer by General Wood and the acceptance by President Palma, as shown by the letters I have just quoted. It strikes me as absurd to quote this decision as a reason for saying that—

Cuba has no idea of signing any treaty surrendering her sovereignty over this island. She insists it is a part of Cuba, and she will never surrender, by agreement or treaty, her rights. She can not be expected to do so when our own Supreme Court has rendered an opinion establishing her right, and the only way the United States can ever obtain the Isle of Pines is by force or war.

Mr. Justice White, with Mr. Justice Holmes concurring, dismissed the obiter dictum of the Chief Justice in these plain words:

To my mind any and all expressions of opinion concerning the effect of the treaty and the de jure relations of the Isle of Pines is wholly unnecessary and can not be indulged in without disregarding the very principle upon which the decision is placed—that is, the conclusive effect of executive and legislative action.

Certainly no candid Cuban studying the decision in the light of the facts will ever take comfort in these words or assert ownership because of the decision. It is clear as day to my mind that the court action of 1907 did not change the situation in the slightest degree. The relation of Cuba to the Isle of Pines is exactly the same as it was when the Platt amendment was adopted. It is exactly the same as it was when President Palma accepted the responsibility of administering a de facto government in the island "pending the settlement of the title."

The rejection of this treaty by the Senate will not settle the title either. In the face of the Platt amendment it can only be determined when Cuba and the United States shall agree on and mutually ratify a treaty.

#### DO WE NEED THE ISLE OF PINES FOR THE NATIONAL DEFENSE?

Viewing the matter from the standpoint of our own country, what is the desirable thing to do?

I wish we could know what was in the minds of Senator Platt and his contemporaries in official life. How did they view the future? Mild mannered always and sometimes yielding, why was President McKinley so determined, so "sensitive," to quote Congressman Hermann, when it came to any question of the ownership of the Isle of Pines?

November 5, 1902, Senator Platt, the author of the amendment, said this in a letter to J. C. Linney, of New York:

I inserted a clause to the effect that the title should be the subject of treaty negotiations. I feel that it is of the utmost importance that it shall be ours. It will give us the most advantageous point from which to defend the entrance of the Isthmian Canal. I supposed, when I provided that it should be the subject of treaty negotiations, that unless we could satisfy the Cuban Government that it passed to us in the cession it would come to us by purchase, and that is still my belief.

We debated for weeks over Muscle Shoals and the chief argument of the author of the successful bill was the need of that great water power to make the nitrogen for use in explosives for the national defense. Can we forget the national defense and the relation of the Isle of Pines to the national defense?

Cast your eyes upon a map of the Caribbean Sea. Can any Senator willingly give up the Isle of Pines when he regards the national ownership of the approaches to the Panama Canal?

Let us review the geographical facts. To the east of the canal is Curacao, a Dutch fueling station.

Farther east is Trinidad, a British possession. South of Cuba and east of the Isle of Pines is Jamaica, also British. South of Porto Rico and the Virgin Islands are the French islands of St. Kitts and St. Pierre.

Cuba and Haiti, independent nations, complete the band of foreign possessions, completely inclosing the entrance to the canal and commanding its approaches.

Is it not reasonable to believe that Platt and Frye and Davis, as well as McKinley and his Cabinet, to say nothing about the Foreign Affairs Committee of that day, had in mind the construction of the canal and its need of protection in the future?

If not that, what foreign disturbance did they fear? It was hardly for nothing that Platt and his colleagues included article 6 in the amendment.

#### The Island—

#### Said Senator Clapp in the North America Review—

located as it is with relation to the Caribbean Sea and the Gulf of Mexico, is of immense strategic importance to the United States. It is, in a sense, the key to both those bodies of water and would form an admirable outpost as a guard to the mouth of the Panama Canal. The Bay of Sigüanea, opening from the western end of the Isle of Pines, is an extensive sheet of water 15 miles in width by over 20 in length, and contains a depth of from 22 to 35 feet. By dredging a short channel through the sand bar to the north of Point Frances this bay will be available for vessels of deep draught, and contains several sites eminently suitable for coaling stations. It could thus be made into a safe and commodious harbor large enough to float the navy of any nation, and of incalculable value to the United States in case of a foreign war threatening the security of the eastern outlet of the Panama Canal at Colon.

Could any greater humiliation come to the United States than to have the Panama Canal captured or destroyed by an enemy? If in honor we can keep the Isle of Pines, we should do it. If there was excuse for its possession in 1901, the present situation makes its retention a most urgent necessity.

#### AN APPEAL TO CUBA AND THE CUBANS

As a friend of Cuba, as one who traveled up and down the land begging our citizens to demand intervention, as one who spoke many times from the same platform with Quesada, as one who prays for peace and prosperity for that Pearl of the Antilles, I urge upon the citizens of the Cuban Republic that no greater calamity could come to them than a foreign war which directed its attention to the Caribbean.

As an American I would make every monetary sacrifice rather than give up a piece of land which can be made a naval, military, and air base of greatest importance to our protection of the canal. This island commands the Yucatan Channel. It commands the Caribbean. It commands the eastern approach to the canal. We must keep it at all costs within honor.

Cuba owes the United States a large sum of money. If I am correctly advised, there has been no reimbursement of the cost of the second intervention—in 1907-8-9. According to information given by the Bureau of Insular Affairs, War Department, this amounts to \$6,509,000, no part of which has been paid.



If Cuba really owned the Isle of Pines no vote of mine would ever snatch from her a grain of its sands. But if the Isle of Pines is ours it should remain so forever. With my conception of its vital importance to the national defense, we can not afford to lose possession.

May I suggest in all delicacy and with no desire to give affront to a proud people, that I wish Cuba might render us a bill for the important service she has rendered our country by her de facto administration of the Isle of Pines? It has cost the Cuban Republic tremendous sums to look after this territory. Such expenditure should be returned with interest. We can afford to be generous because we have taxed all the goods imported from the island into continental United States. It would be impossible to trace out the tariff receipts and return them to the individual shippers, but we can and should deal generously with the Cuban Government, even to the extent of her entire indebtedness to us or more.

Such is the story from the Cuban standpoint. What is the situation from the American point of view? How are we to solve the riddle?

#### WHAT DO THE OFFICIAL RECORDS SHOW?

In the absence of specific information which, unfortunately, is not in possession of the Senate, we are forced to search out from available records the truth about the Isle of Pines. When we have the facts at our disposal we discover that our predecessors failed to make effective use of the same material. In consequence the whole situation continues to be muddled and distracting.

Perhaps this is why action on the treaty has been deferred. But the delay may not be such a mystery after all, although I admit that at times it strikes me as a strange and mysterious situation. Study of all the records clears away the mists and, in my opinion, thoroughly illuminates the intentions and decisions relating to the West Indies. I shall attempt to marshal the evidence.

On July 22, 1898, the Government of Spain submitted to President McKinley a message asking upon what terms the war might be terminated. A copy of this letter can be found in Senate Document No. 62, part 1, Fifty-fifth Congress, third session, at pages 272 and 273.

On July 30, 1898, our Secretary of State, William R. Day, made reply to the Spanish Minister of State. This letter is found on pages 273 and 274 of the same document. Here are set forth the demands of our country. I quote:

The United States will require:

First. The relinquishment by Spain of all claim of sovereignty over or title to Cuba and her immediate evacuation of the island.

Second. The President, desirous of exhibiting signal generosity, will not now put forward any demand for pecuniary indemnity. Nevertheless he can not be insensible to the losses and expenses of the United States incident to the war or to the claims of our citizens for injuries to their persons and property during the late insurrection in Cuba. He must, therefore, require the cession to the United States and the immediate evacuation by Spain of the island of Porto Rico and other islands now under the sovereignty of Spain in the West Indies, and also the cession of an island in the Ladrões, to be selected by the United States.

Third. On similar grounds the United States is entitled to occupy and will hold the city, bay, and harbor of Manila pending the conclusion of a treaty of peace which shall determine the control, disposition, and government of the Philippines.

If the terms hereby offered are accepted in their entirety, commissioners will be named by the United States to meet similarly authorized commissioners on the part of Spain for the purpose of settling the details of the treaty of peace and signing and delivering it under the terms above indicated.

On August 7, 1898, Spain accepted our terms. I quote from the letter of the minister of Spain, pages 275 and 276:

In the name of the nation, the Spanish Government hereby relinquishes all claim of sovereignty over or title to Cuba and engages to the immediate evacuation of the island, subject to the approval of the Cortes—a reserve which we likewise make with regard to the other proffered terms—just as these terms will have to be ultimately approved by the Senate of the United States.

The United States require, as an indemnity for or an equivalent to the sacrifices they have borne during this short war, the cession of Porto Rico and of the other islands now under the sovereignty of Spain in the West Indies, and also the cession of an island in the Ladrões, to be selected by the Federal Government.

This demand strips us of the very last memory of a glorious past and expels us at once from the prosperous island of Porto Rico and from the Western Hemisphere, which became peopled and civilized

through the proud deeds of our ancestors. It might, perhaps, have been possible to compensate by some other cession for the injuries sustained by the United States. However, the inflexibility of the demand obliges us to cede, and we shall cede, the island of Porto Rico and the other islands belonging to the Crown of Spain in the West Indies, together with one of the islands of the archipelago of the Ladrões, to be selected by the American Government.

The next letter, dated August 10, 1898, written by the Secretary of State Day to His Excellency M. Jules Cambon, ambassador of the French Republic, I desire to quote in full. It is as follows:

EXCELLENCY: Although it is your understanding that the note of the Duke of Almodovar, which you left with the President on yesterday afternoon, is intended to convey an acceptance by the Spanish Government of the terms set forth in my note of the 30th ultimo as the basis on which the President would appoint commissioners to negotiate and conclude with commissioners on the part of Spain a treaty of peace, I understand that we concur in the opinion that the Duke's note, doubtless owing to the various transformations which it has undergone in the course of its circuitous transmission by telegraph and in cipher, is not, in the form in which it has reached the hands of the President, entirely explicit.

Under these circumstances it is thought that the most direct and certain way of avoiding misunderstanding is to embody in a protocol, to be signed by us as the representatives, respectively, of the United States and Spain, the terms on which the negotiation for peace are to be undertaken.

I therefore inclose herewith a draft of such a protocol, in which you will find that I have embodied the precise terms tendered to Spain in my note of the 30th ultimo, together with appropriate stipulations for the appointment of commissioners to arrange the details of the immediate evacuation of Cuba, Porto Rico, and other islands under Spanish sovereignty in the West Indies, as well as for the appointment of commissioners to treat of peace.

Accept, excellency, the renewed assurances of my highest consideration.

WILLIAM R. DAY.

His Excellency M. JULES CAMBON, etc.

With this letter was the protocol, pages 277 and 278, setting forth the precise terms upon which the war could be terminated. I quote as follows:

#### PROTOCOL

William R. Day, Secretary of State of the United States, and His Excellency Jules Cambon, ambassador extraordinary and plenipotentiary of the Republic of France at Washington, respectively possessing for this purpose full authority from the Government of the United States and the Government of Spain, have concluded and signed the following articles, embodying the terms on which the two Governments have agreed in respect to the matters hereinafter set forth, having in view the establishment of peace between the two countries; that is to say:

ARTICLE 1. Spain will relinquish all claim of sovereignty over or title to Cuba.

ART. 2. Spain will cede to the United States the island of Porto Rico and other islands now under Spanish sovereignty in the West Indies and also an island in the Ladrões, to be selected by the United States.

ART. 3. The United States will occupy and hold the city, bay, and harbor of Manila pending the conclusion of a treaty of peace which shall determine the control, disposition, and government of the Philippines.

ART. 4. Spain will immediately evacuate Cuba, Porto Rico, and other islands under Spanish sovereignty in the West Indies; and to this end each Government will, within 10 days after the signing of this protocol, appoint commissioners, and the commissioners so appointed shall, within 30 days after the signing of this protocol, meet at Habana for the purpose of arranging and carrying out the details of the aforesaid evacuation of Cuba and the adjacent Spanish islands; and each Government will, within 10 days after the signing of this protocol, also appoint other commissioners who shall, within 30 days after the signing of this protocol, meet at San Juan, in Porto Rico, for the purpose of arranging and carrying out the details of the aforesaid evacuation of Porto Rico and other islands under Spanish sovereignty in the West Indies.

ART. 5. The United States and Spain will each appoint not more than five commissioners to treat of peace, and the commissioners so appointed shall meet at Paris not later than October 1, 1898, and proceed to the negotiation and conclusion of a treaty of peace, which treaty shall be subject to ratification according to the respective constitutional forms of the two countries.

ART. 6. Upon the conclusion and signing of this protocol hostilities between the two countries shall be suspended, and notice to that effect shall be given as soon as possible by each Government to the commanders of its military and naval forces.



These documents established four definite things for Spain to do:

First. The relinquishment of all claims to Cuba.

Second. The cession of the island of Porto Rico, other islands in the West Indies, and an island in the Ladrões to indemnify the United States and its citizens for the losses incident to the war.

Third. The evacuation of Cuba and the evacuation of the adjacent Spanish islands.

Fourth. The evacuation of Porto Rico and other islands.

#### THE ISLANDS ADJACENT TO CUBA ARE OURS

It is clear that the Habana commissioners were to deal with Cuba and with the adjacent Spanish islands. The San Juan commissioners were to deal with Porto Rico and the rest of the Spanish islands in the West Indies.

If the "adjacent Spanish islands" had been included in and considered a part of Cuba, there would have been no mention of them in article 4 of the protocol. Had they not been mentioned specifically, it could be assumed that they were considered a part of Cuba and to be relinquished with Cuba. As it is, however, the language makes certain that the "islands adjacent to Cuba" were to be included in the cessions to the United States to provide the indemnity.

If my view is not correct, what became of the "islands adjacent to Cuba" when the treaty itself was made? In article 1 of the treaty of Paris "Spain relinquishes all claim of sovereignty over and title to Cuba." No mention is made of the "adjacent islands." It must be concluded, therefore, that in the treaty itself, as contrasted with the more specific article 4 of the protocol, "the adjacent Spanish islands" were fused with and included in the islands mentioned in article 2 of the treaty, namely, "the island of Porto Rico and other islands now under Spanish sovereignty in the West Indies."

This view harmonizes, too, with the Spanish minister's letter of August 7, 1898, found on page 276 of Senate Document No. 62. I quote:

It might, perhaps, have been possible to compensate by some other cession for the injuries sustained by the United States. However, the inflexibility of the demand obliges us to cede, and we shall cede, the island of Porto Rico and the other islands belonging to the Crown of Spain in the West Indies.

It must be observed that in all the documents referred to the use of the definite and positive article "the" makes specific, as it should, the intention of the various officials. The use and omission of the definite article will give light to any doubter who will study critically the language of the text.

For instance, take note that in the quotation just made the Spanish minister refers to "Porto Rico and 'the' other islands." On the contrary, in the second section of Article IV of the protocol, Secretary of State Day refers to the "evacuation of Porto Rico and other islands." This latter language I take to mean not alone the islands adjacent to Porto Rico but all the remaining islands under Spanish sovereignty, not including the islands adjacent to Cuba.

Contrast this omission of the definite article "the" with the first section of Article IV of the protocol. Here it provides for the "evacuation of Cuba and 'the' adjacent Spanish islands." This is a specific statement and makes clear to him who runs just what islands were meant (pp. 276-277, S. Doc. No. 62).

For myself, I am convinced from a critical study of the records that the Isle of Pines and probably all the other islands adjacent to Cuba were not included in Article I of the Paris treaty, but were ceded to the United States by Article II of the treaty.

In his able address on January 17 the Senator from Illinois [Mr. McCORMICK] made much of Senator Morgan's efforts to amend Article VI of the Platt amendment. He referred to the debate which took place in the Senate on February 27, 1901.

As I read that debate and as I suggested to the Senator from Illinois last Saturday, it is perfectly apparent that Senator Morgan believed the Isle of Pines, which is the chief island "adjacent to Cuba," was included in the islands ceded to the United States by Spain to indemnify us for the losses of the war. The able Senator from Alabama saw that Article VI of the Platt amendment would cloud our title to the Isle of Pines. The suggestion to have the title, "Left to future adjustment by treaty," would, he believed, create a doubt as to the ownership. Who can deny that that is exactly what has occurred? Senators to-day are beclouded in mind because of the conditions created by the Platt amendment.

Senator Morgan said:

For the purpose of giving the conferees a chance to save the Isle of Pines to the United States without a row with Cuba, I propose to strike out the sixth proposition of the amendment.

He took the view which was expressed even more strongly last week by the Senator from Virginia [Mr. SWANSON]. The latter suggested that the only way to "obtain the Isle of Pines is by force or war."

It is unfortunate we did not at once assert our ownership and take possession of the Isle of Pines. As it is, the Platt amendment has clouded our title. A situation has been created which can only be cleared up by a treaty with Cuba. We must get a quitclaim to property which I believe is legally ours but against which the Platt amendment is a moral mortgage.

The Senator from Illinois [Mr. McCORMICK], in his speech on Saturday, misinterprets the point Senator Morgan had in mind when he introduced his amendment, February 27, 1901. Page 3149 of the CONGRESSIONAL RECORD indicates that the Secretary of the Senate stated Morgan's amendment, showing that Article VI of the Platt amendment, if so amended, would read:

ART. VI. That the Isle of Pines shall be omitted from the constitutional boundaries of Cuba.

Had Senator Morgan's motion been accepted the Isle of Pines would have been in our undisputed possession. The pending treaty would never have been negotiated and our troubles of to-day would never have been born. The Isle of Pines was ours and we should have possessed it. But this desirable thing did not happen, and before we can regain moral title Cuba's consent must be had.

#### THE "LOBBY," AND WHY

"Lobbying by persons financially interested in the Isle of Pines" was commented upon by the Senator from Illinois [Mr. McCORMICK] and by others. Why should not citizens of the United States defend their rights? Can a man be blamed if he protests the threatened loss of his home? What American would willingly transfer his household goods to the oversight of another nation, no matter how friendly? Can you blame the owners of homes in the Isle of Pines for using every honorable argument to gain support for their hearthstones? Are they to be called "lobbyists" in the sense that they are log-rolling for some unworthy cause, or in an unworthy manner?

Sneer at it as we may, the fact remains that the Assistant Secretary of War, Mr. Meiklejohn, August 14, 1899, directed John J. Pershing, Assistant Adjutant General, to write to George Bridges, of Carlisle, Pa. Mr. Bridges had said he was no "land grabber," but desired to operate sawmills on the island. Pershing's authorized reply said, "This island was ceded by Spain to the United States and is therefore a part of our territory, although it is attached at present to the division of Cuba for governmental purposes." This statement is found on page 72 of Senate Document No. 166.

Mr. Meiklejohn may be "a forgotten assistant in the Department of War," but his official act is here to haunt us. The Senator from Illinois [Mr. McCORMICK] will retort, no doubt, that "the evil men do lives after them."

January 13, 1900, and January 15, 1900, Mr. Meiklejohn himself replied to correspondents, stating that the Isle of Pines is a part of our territory (pp. 74 and 75 of S. Doc. 166).

Mr. Hermann, of Oregon, afterwards a Member of the House, was Commissioner of the General Land Office during this period. The CONGRESSIONAL RECORD of December 8, 1903, page 57, records Mr. Hermann's statement on the floor of the House. It is as follows:

Of my own personal knowledge I know that it was the last wish of President McKinley, after carefully looking into the question as to the ownership of the Isle of Pines and as to the right we acquired from Spain to that domain, that it should be understood to belong to the United States under the treaty, and he was so emphatic—I may say sensitive—as to that conviction that he gave specific instructions to the department that the Isle of Pines should be noted upon the large cession map of the United States that shows the different acquisitions of public domain to our country from the various sources through which we derive original title, and that the Isle of Pines should be placed there as inuring to the United States under the Paris treaty.

That was done and publication has been made upon each annual issue of that map since that time, and our claim and ownership of the Isle of Pines has thus been proclaimed through one of the great executive departments to all the world, and with the approval, the wish, and direction of the Chief Magistrate of this country. For one I think the conclusion is irresistible as to our right and title to that Province, and I sympathize with the citizens of our Nation who have gone there and acquired property there and have there engaged in



various industrial occupations under the assurance of American protection and American control, and, indeed, upon every reasonable interpretation of the Paris treaty, and who are now about to be held to be inhabitants and property owners under Cuban jurisdiction.

Mr. President, I have had placed upon the wall of the Senate Chamber a public map which was issued in 1900 as a map of the "United States, Territories, and insular possessions, compiled from official surveys of the General Land Office and other authentic sources," showing that the Isle of Pines is a possession of the United States, as was contended for by Mr. Meiklejohn, General Pershing, President McKinley, and others who have discussed the subject.

Who can question that our citizens, to the number of 10,000 I am told, bought property in the Isle of Pines in full confidence that they were buying homes over which would fly the Stars and Stripes? Ninety per cent of the property of this island is owned by Americans, and it is probable that not one of our citizens would have purchased except in the belief that it was American soil.

Mr. PEPPER. Will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Pennsylvania?

Mr. COPELAND. I yield.

Mr. PEPPER. Did I understand the Senator to estimate the number of American residents in the Isle of Pines as being 10,000?

Mr. COPELAND. I did not; no, sir.

Mr. PEPPER. Then I misunderstood the Senator.

Mr. COPELAND. My exact language was, "Who can question that our citizens, to the number of 10,000, I am told, bought property in the Isle of Pines in full confidence that they were buying homes over which would fly the Stars and Stripes?" I would not give the impression that there are 10,000 Americans in the Isle of Pines, but there are 10,000 American citizens who own property in that island.

Mr. PEPPER. I have no very exact information, but the highest total population that I have ever heard attributed to the island is 4,000 and the highest estimate of Americans at any one time about 700.

Mr. McKELLAR. The highest number of Americans, I think, is 900.

Mr. HEFLIN. I think the Senators are mistaken about that. I understand the number is from 1,000 to 1,500.

Mr. COPELAND. Mr. President, my information does not vary greatly from that of the Senator from Pennsylvania. I would not have any false impression created regarding that matter; but 90 per cent of the property on the island is owned by Americans, and it is probable that not one of our citizens would have purchased except in the belief that it was American soil.

Mr. WALSH of Montana. While the Senator is on that subject I should like to ask him a question, simply for enlightenment. I find in a document issued, I think, by the Cubans in support of their claim a reference to the letter of Assistant Secretary of War Meiklejohn and to the letter of Assistant Adjutant General Pershing, and then reference to some further communications upon the subject. Thus it says—

Mr. COPELAND. From what page is the Senator about to read?

Mr. WALSH of Montana. From page 13. After referring to a letter written by Meiklejohn, it says:

On January 13 and January 15, 1900 (pp. 74 and 75), the Assistant Secretary of War again replied to inquiries regarding ownership of the Isle of Pines in exactly the same terms as those he had directed to be used in the letter of August 14, 1899, above referred to.

So we have a letter of August 14, 1899, asserting that the Isle of Pines belonged to the Government of the United States. We have another letter of date "January 13 and January 15"—I do not know whether that refers to one letter or to two letters—

Mr. COPELAND. It refers to two letters.

Mr. WALSH of Montana. Very well—again asserting that the title was in the United States; but the document continues:

But after this date the records show that a different answer was given to such inquiries. A letter dated January 31, 1900 (p. 75), addressed to the Secretary of War, by William O. McDowell, asking, "Is the Isle of Pines United States as Porto Rico is United States, or is it Cuba?" was referred to Mr. Charles E. Magoon, law officer, who reported as follows (undated memorandum, p. 79) to Col. C. R. Edwards, Chief of the Division of Customs and Insular Affairs: "I can not answer the interrogatory propounded in this letter. The political branches of this Government—to wit, the Congress and the Executive—are to determine the territorial extent of the sovereignty and dominion of the United States and the particular territory over which such sovereignty and dominion shall be asserted. I suggest that no answer be

attempted by this department under the conditions at present existing. If an answer to this letter is imperative, I suggest that Mr. McDowell be informed that as at present advised this department considers the Isle of Pines subject to the jurisdiction of the military forces of the United States now in charge of civil affairs in the island of Cuba, if such is the fact."

So that it would appear that the assertion of title in the United States by the War Department commenced on the 14th of August, 1899, but was withdrawn on the 30th of January, 1900, if the statement is accurate.

What I should like to know is how many American citizens acquired title to property in the Isle of Pines between those two dates, for I may say that this document—and I have not attempted to verify the statement—goes on to say that most of the Americans in the Isle of Pines acquired title to the lands they own there as late as 1903.

I notice also, in the official document provided, some testimony which gives the names of all American owners of lands in the Isle of Pines, but it does not give any information at all as to the date when they acquired title. It may be, as the Senator now says, that there are 10,000 Americans owning lands in the Isle of Pines; but if they acquired their title after this letter was made public, of course that presents quite a different case.

Mr. COPELAND. I think, Mr. President, the comment of the Senator from Montana is a very proper one. That question does arise; but undoubtedly some Americans invested there before this somersault was turned by the Government.

Mr. WALSH of Montana. What can the Senator advise in respect to that?

Mr. COPELAND. As to the facts?

Mr. WALSH of Montana. Yes. Did the gentlemen who addressed the letter of August, 1899, and the gentlemen who addressed the two letters of January, 1900, actually go there and invest within that period?

Mr. COPELAND. Of course, I can not answer the question; but the average citizen is only an average citizen. If he sees a map of the United States, its territories and insular possessions, and he sees placed there the Isle of Pines, he has a right to assume that the Government is back of that transaction and has given its indorsement to it. Undoubtedly there are many Americans who purchased property in the Isle of Pines since it was known that there was uncertainty regarding the property; and, as I have stated to the Senator, I have no doubt at all that there has been a mortgage upon the American title to the Isle of Pines since the passage of the Platt amendment on March 2, 1901. From that time forward there was a question in the minds of many public officials; but the fact remains that there are Americans who did purchase property in the Isle of Pines, before the doubt of ownership was created, and I do not think for the purpose of the argument that it makes any difference whether there were 10,000 Americans or 100 Americans, if any Americans purchased property there.

Mr. NORRIS. Mr. President, what is the date of the map?

Mr. COPELAND. 1900.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from New York yield to the Senator from Arkansas?

Mr. COPELAND. I do.

Mr. CARAWAY. The question of whether or not people purchased property there would not change the right of the United States to assert jurisdiction over the island; would it?

Mr. COPELAND. No, sir.

Mr. CARAWAY. That does not change or should not change our attitude as to whether this treaty should be ratified or rejected.

Mr. COPELAND. No; it simply gives another incentive—

Mr. CARAWAY. Let me ask the Senator, if that is true, then what force has it, in determining what the vote of a Senator should be whether there are 500 or 5,000 people there?

Mr. COPELAND. Not any.

Mr. CARAWAY. Then what was the object of the Senator in presenting it? I am just trying to follow the argument.

Mr. COPELAND. I was simply presenting facts which have been placed in my possession as to the present ownership of the Isle of Pines; but I have just said, in reply to the Senator from Pennsylvania, that I do not think it makes any difference whether we have 10,000 citizens who are interested because of purchase there or whether the number is 100. If any Americans bought land there while the view was taken by the executive departments of the Government that this island was owned by and territory of the United States, we should give protection to those citizens.



Mr. CARAWAY. How does the Senator purpose to give protection to them? That is what I want to know.

Mr. COPELAND. I have not quite finished my argument as regards that.

Mr. McKELLAR. Mr. President, may I make a suggestion to the Senator from New York, if he will permit me?

Mr. COPELAND. Certainly.

Mr. McKELLAR. If these American citizens went down there upon the assurances of the then American Government that the Isle of Pines was United States territory, and then the Senate ratifies this treaty conveying the sovereignty to Cuba, and the Cuban Government dispossesses these American citizens who now own the property or in any other way destroys their property, would they not have a moral right to come back to Congress and say: "The American Government induced us to go there. We went there and spent our money, and by reason of your action we have lost what we invested there?"

Why would they not have some kind of a moral claim on the Government? I am not so sure whether they would or not; but it seems to me that is a matter that the Senate ought to take into very careful consideration before ratifying this treaty.

Mr. HEFLIN. Mr. President, right in that connection, if the Senator from New York will permit me—

Mr. COPELAND. I yield to the Senator from Alabama.

Mr. HEFLIN. Senator Morgan, in his minority report, said, in line with what the Senator from Tennessee said and called to the attention of the Senator from New York:

In respect of the rightfulness and sincerity of the motives and conduct of our people in purchasing lands and making homes in the Isle of Pines, the conduct of General Wood and the War Department and of the State Department in their official statements has much to do. It is painfully true that the conduct and official statements of these high officers in giving express sanction and consent to our people to make homes in the Isle of Pines will be repudiated if the treaty before the Senate is ratified in its present shape.

Mr. CARAWAY. Mr. President, will the Senator from New York permit me to ask the Senator from Alabama a question?

Mr. COPELAND. I yield.

Mr. CARAWAY. If the Isle of Pines is part of the territory of Cuba, the Senator would not be in favor of dispossessing Cuba to protect some American investors there, would he?

Mr. HEFLIN. I would not; but I do not concede that it is part of the Cuban territory. It is clear to my mind that it is the property of the United States.

Mr. CARAWAY. Of course, if the Senator will pardon me, if it is not the property of Cuba, if there never had been an American foot upon the Isle of Pines it would be the duty of the Senator from Alabama to refuse to ratify the treaty. If it was and is the property of Cuba, if there were a million American citizens there, it ought to be, and I think it would be, his pleasure to vote for its ratification, would it not?

Mr. HEFLIN. Certainly.

Mr. CARAWAY. Then the question of whether American people went there under representations, false or otherwise, does not change the status of the island, does it?

Mr. HEFLIN. To some extent the Senator is right; but in view of the President's attitude and the attitude of General Pershing at the time, and his reply that the island was the property of the United States, I think if they went there in good faith to buy the land, and did do it, and now should be dispossessed, that the Government of the United States ought to pay them every dollar they lost in the transaction.

Mr. CARAWAY. Let us concede that; but that would not have anything to do with whether or not the treaty ought to be ratified, would it?

Mr. HEFLIN. Yes; it would.

Mr. CARAWAY. In what respect? Suppose the President of the United States had asserted title to the Nile Valley?

Mr. HEFLIN. We must construe the transaction of that time in the light of the history that surrounded it. What was the attitude of the President, the Commander in Chief of our Army and Navy? It was that that island belonged to us. What was the attitude of the Acting Adjutant General when the citizens of our Government asked whether this island was ours or not? General Pershing replied for the Government that it was property of the United States.

Mr. CARAWAY. Let me ask the Senator a question: Does he think that the declaration of General Pershing would change the territory of the United States? Suppose he had declared that the State of Alabama never was a part of the Union, would the Senator from Alabama have said that General Pershing had any right to disclaim the sovereignty of the United States over Alabama?

Mr. HEFLIN. Certainly not.

Mr. CARAWAY. He could not extend, nor could he diminish by 1 square inch, the area of the United States.

Mr. HEFLIN. The comparison is not appropriate, because Alabama is in the Union and has been in it a long time, and is not territory that we acquired when the war with Spain came on.

Mr. CARAWAY. The thing I am trying to say to the Senator from Alabama is this: Personally, I hope to protect, and I intend to offer an amendment by way of a reservation that will try to protect, the property rights and the liberty of people in the Isle of Pines; but, as I see it, the question of whether or not the Government has been guilty of holding out inducements to people to go to the Isle of Pines and buy property there has nothing to do with whether we should or should not ratify the treaty. When the question comes up of whether we shall try to protect the rights of American citizens who have gone there under any kind of representation, I then shall find myself very much in sympathy with that procedure, although I can not conceive that it has anything to do with the question of whether the Isle of Pines is Cuban or American territory.

Mr. HEFLIN. Mr. President, if the Senator from New York will permit me—

Mr. COPELAND. I will permit the Senator. Go ahead.

Mr. HEFLIN. I was just going to say this further word to the Senator from Arkansas in line with the point, which I think is very strong, that has been made by the Senator from New York that in the Platt amendment, Article VI, it is said:

That the Isle of Pines shall be omitted from the proposed constitutional boundaries of Cuba, the title thereto being left to future adjustment by treaty.

I do not think there is any doubt that McKinley expected to use the Isle of Pines for a naval base, if necessary, and that he intended it to be the property of the United States.

Mr. SIMMONS. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Carolina?

Mr. COPELAND. I yield to the Senator from North Carolina.

Mr. SIMMONS. I want to say to the Senator from New York and the Senator from Tennessee and the Senator from Arkansas that I think the treaty now pending before the Senate provides very fully for the protection of any property acquired in the Isle of Pines since the war with Spain by American citizens. I call the attention of the Senators to this provision in the treaty. It is Article III:

Citizens of the United States of America who, at the time of the exchange of ratifications of this treaty, shall be residing or holding property in the Island of Pines shall suffer no diminution of the rights and privileges which they have acquired prior to the date of exchange of ratifications of this treaty; they may remain there or may remove therefrom, retaining in either event all their rights or property, including the right to sell or dispose of such property or of its proceeds; and they shall also have the right to carry on their industry, commerce, and professions, being subject in respect thereof to such laws as are applicable to other foreigners.

Mr. CARAWAY. Mr. President, will the Senator yield there for just one second?

Mr. COPELAND. I yield.

Mr. CARAWAY. The thing I still have in mind is the question of their citizenship. Their right to exercise certain prerogatives of a citizen, I think, is not protected in this provision.

Mr. SIMMONS. No; the question of citizenship—that is, whether they became citizens of that country—is not covered by the treaty.

Mr. CARAWAY. I understand that; but if they went there as American citizens I think they are entitled to a certain kind of protection and guarantees.

Mr. SIMMONS. Possibly the Senator may be right about that—the treaty safeguards and protects their person and property—but it does not provide for naturalization and citizenship.

Mr. COPELAND. Mr. President, I regret that some of the Senators who are taking part in the debate did not hear the early part of my argument. I feel hopeful that possibly they might have been converted to my view of the Isle of Pines problem. Of course, my own position, as I have tried to make it clear and as I believe the documents prove, is that the Isle of Pines was ceded to the United States, and that the Isle of Pines is the property of the United States; but unfortunately the passage of the Platt amendment placed a moral mortgage upon that title, and until we have a treaty with Cuba we will not have moral possession, regardless of whether we take physical possession or not.



As regards the treaty, at the end of my remarks I am going to suggest that there should be a treaty with Cuba making clear our ownership of the island. I think the pending treaty is a very wrong treaty. The second article of this treaty—and I say this specifically to the Senator from North Carolina—says that—

This relinquishment, on the part of the United States of America, of claim of title to the said Island of Pines is in consideration of the grants of coaling and naval stations in the Island of Cuba heretofore made.

The Senate of the United States can not dispose of the possessions of the United States by treaty. If the Isle of Pines is ours, it can only be transferred to Cuba by act of Congress.

Mr. SIMMONS. Mr. President, at this time I do not desire to enter into any discussion with the Senator from New York, but at the proper time I propose to address the Senate and endeavor to maintain the proposition that the treaty of Paris conveyed to the United States, in trust for Cuba and the Isle of Pines, both of those islands, and that the United States has never been, with respect to those islands, since the negotiation of that treaty anything more than a trustee on behalf of the Cuban people and the inhabitants of the Isle of Pines. I shall therefore, of course, controvert the fundamental proposition of the Senator from New York, to wit, that the United States owns that property. I will not quarrel with the Senator with reference to his conclusion that if the United States owns this property it can not alienate it by treaty. That may be a debatable question. But the United States, in my opinion, does not and never has owned it. The United States has never claimed or declared ownership. The United States has never gone further than the declaration in the Platt amendment that the claim of title of the United States—not the title but claim of title of the United States—should be left to future adjustment through treaty between the two countries. I apprehend there can be no doubt about the right of the United States to adjust a controversy relating to property by treaty, although there may be some question whether the United States could by treaty transfer property to which it had title.

Mr. COPELAND. Is it not implied in the pending treaty that we have title?

Mr. SIMMONS. No; in the pending treaty we relinquish not our title, but we relinquish our claim of title.

Mr. COPELAND. For what?

Mr. SIMMONS. Following the language of the Platt amendment, we relinquish our claim of title. Nobody, so far as I have been able to discover, has declared that the United States had the title, except Mr. Melklejohn, an Assistant Secretary of War, who made that declaration without the authority of his chief, and without consultation with the law officer of the department. The Secretary of War disclaimed that statement and declared the island went to Cuba under the treaty. But all that is a matter I do not wish to discuss at this time. I shall do so later, and in my own time.

Mr. RALSTON. Mr. President—

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Indiana?

Mr. COPELAND. I yield to the Senator from Indiana.

Mr. RALSTON. I wish to make an inquiry of the distinguished Senator from North Carolina: Under which article of the Paris treaty did the United States get whatever interest or title it has in or to the Isle of Pines, whether it is held in trust or otherwise?

Mr. SIMMONS. Under the simple declaration that Spain relinquished all sovereignty and title to Cuba. Under that declaration it was not relinquished to us; it was not relinquished to the Cuban people; but it was relinquished so far as Spain was concerned. It came into our possession by virtue of conquest, and we, carrying out a pledge we made to the Cuban people at the time we declared war, acknowledging our trusteeship, turned it over to Cuba, not because we had any title to it, because relinquishing it to Cuba did not relinquish it to the United States.

Mr. RALSTON. I am not raising the question of the trusteeship now, but article 2 of the first treaty negotiated between Cuba and the United States expressly provides that whatever our interest may be in the Isle of Pines we got it by means of article 2 of the Paris treaty.

Mr. SIMMONS. Yes.

Mr. RALSTON. I suggest that that shows clearly the interpretation the United States and Cuba placed upon the source of our title to the Isle of Pines at that time, and they then traced it to article 2 of the Paris treaty, which brought to us Porto Rico. In the second treaty negotiated it is provided that we surrender whatever claim or title to the Isle of Pines we

received under both the first and second articles of the Paris treaty. This shows clearly that in their first interpretation or construction of the Paris treaty the Cubans did not associate the Isle of Pines with Cuba.

Mr. SIMMONS. Mr. President, manifestly, from the official records that we have, Cuba has always contended that the Isle of Pines was a part of Cuba. Cuba has never admitted that we had title to that island. We set up through the Platt amendment a claim of title there. Of course, Cuba admitted that we were claiming title when it ratified the treaty by the terms of which we relinquished in favor of Cuba all claim of title in the Isle. As I understand it, both the Senator from New York and the Senator from Indiana contend that the United States can not even part with a claim of title by the process of treaty. I do not think there is any legal or constitutional basis for that contention. But if so, the claim of title set up by the United States was asserted in the so-called Platt amendment to an appropriation bill—

Mr. COPELAND. An Army appropriation bill.

Mr. SIMMONS. An Army appropriation bill. The Platt amendment provided that Cuba should ratify the stipulations and requirements of that amendment as a part of her constitution. Congress ratified the Platt amendment, and in ratifying the Platt amendment the Congress gave its assent to the settlement of this controversy by treaty. It delegated to the treaty-making power the settlement, not of its title to the land but of its claim of title to the land.

Mr. COPELAND. Let me ask the Senator from North Carolina if the Isle of Pines had been unquestionably our property, if it had been a possession of ours which we had had for a long time, and which we had gotten in a perfectly proper way, could Congress have disposed of it by treaty?

Mr. SIMMONS. Only if the act of Congress in authorizing that it be settled in that way should be construed as a direction of Congress to do so under certain conditions to be determined by the negotiators.

Mr. COPELAND. Mr. President, I am very much obliged to the various Senators who have contributed so notably to the discussion. I do think it is unfortunate that we could not lock into the Senate Chamber on one occasion all the Senators who are interested, and who have studied the problem, in order that there might be a real and comprehensive matching of minds and interchange of ideas. Of course, many of the arguments which have been made by several Senators who have discussed my remarks were disposed of, to my satisfaction, at least, by the earlier part of my own remarks, but unfortunately not all the speech has been listened to by those who have just now debated it. I suppose that when the next Member of the Senate undertakes to illuminate the subject he will have the same difficulties. But if I may now have a few moments to myself, I will continue and finish my statement.

I do not suppose it makes any difference whether 10,000 or 1,000 or 100 citizens of the United States bought property in the Isle of Pines by reason of official representations. There can be no doubt that some did.

Through mutual friends I have personal knowledge of several families of high standing and unquestioned probity, persons who invested their all in this island, believing it to be American territory. They give abundant and appealing reasons why their lot will be impossible if this treaty is ratified.

I hesitate to repeat all I have been told and, after all, since it would be a recital of purely personal grievances and wrongs, it has little bearing on the larger questions involved in this matter. Undoubtedly Senators have heard these stories, and I need not refer to them at greater length. It is enough to say this evidence is the testimony of American citizens of known honesty and integrity of character.

#### AN APPEAL FOR JUSTICE

Even though we might split hairs in deciding technical and legal matters, there is one question upon which there can be no possible division of opinion. When the rights of American citizens are involved, our country, even to the extent of war, would rise as one man to demand that justice be done.

I hasten to say that I am not rattling the sword. Nobody hates war more than I do, although no other American more loudly demanded American intervention in Cuba. Certainly there is nothing at stake in this matter which can not be adjusted in peace and harmony.

But, Senators, are we to neglect the rights of American citizens, citizens who have purchased property in the Isle of Pines because of their confidence in the good faith of their Government?

The ear of our Government should be so attuned that it can hear the cry of an American, no matter where he may be on



this earth. The strong arm of government should reach out to give aid to a poor, afflicted, and oppressed citizen who has a just claim, no matter where he may be. But, certainly, when a citizen of the United States has invested his money and made his home upon the representations of the Federal Government, all the powers of the Federal Government should protect him in his rights, or fully reimburse him for his losses, both material and mental.

One of the most dramatic chapters in the history of the human race is the story of the Apostle Paul and his unrighteous treatment at the hands of the mob. A prisoner, Paul appeared before Festus, who trembled as the apostle reasoned of righteousness, temperance, and judgment to come. But willing to do a pleasing thing to the mob, Festus answered Paul and suggested that he go up to Jerusalem to be judged by Festus.

"Then," said Paul, "I stand at Caesar's judgment seat, where I ought to be judged; to the Jews have I done no wrong, as thou very well knowest. For, if I be an offender, or have committed anything worthy, I refuse not to die; but if there be none of these things whereof these accuse me, no man may deliver me unto them. I appeal unto Caesar."

At once Festus and the council said, "Unto Caesar shalt thou go."

A few days later King Agrippa, having heard Paul preach, said unto him: "Paul, almost thou persuadest me to be a Christian." He rose up and said to Festus: "This man might have been set at liberty, if he had not appealed unto Caesar."

Mob, Governor, King—all trembled when Paul made his appeal to Caesar. Under Augustus Caesar the Roman Empire had borders including almost the known world. Many peoples, races, tribes, and religions were ruled over by the monarch at Rome. Dissensions, differences, agitations, and revolutions were many, but in spite of these and over and above all else on earth was the splendid privilege of Roman citizenship. No one dared question the right of a citizen to appeal unto Caesar and no potentate or ruler ventured to refuse the demand of the citizen who made his appeal to appear before Caesar.

#### CONCLUSION

Is not American citizenship just as significant as was Roman citizenship of Paul's time? When an American appeals to his Government, is he to appeal in vain?

Ah, Senators, I know you will listen to our fellow citizens who have homes and possessions in the Isle of Pines. They have appealed to us. We can not do less than to listen to their appeal, and to judge it fairly.

For myself, I can see but one course, and it begins with the rejection of this treaty. After that we must take immediate steps to negotiate with Cuba a new and proper treaty, which will attach the Isle of Pines to the United States, giving us honorable and unquestioned possession.

Holding these views, I shall vote against the ratification of the treaty. If the Senate rejects the treaty, as I hope it will, it is then my purpose, if no one else does, to offer a resolution in the Senate requesting the President to enter into negotiations with the Republic of Cuba for the cession of its interest in the Isle of Pines to the United States upon such terms and conditions as may be equitable and just to the Governments and peoples of the United States and of Cuba, and to the residents and property holders of the Isle of Pines.

#### RECESS

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 5 o'clock and 5 minutes p. m.) took a recess until to-morrow, Wednesday, January 21, 1925, at 12 o'clock meridian.

### HOUSE OF REPRESENTATIVES

TUESDAY, January 20, 1925

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, Thou art ever alive to the welfare and destiny of Thy children, preserving and guiding them by manifold and gracious ways. Truly Thy mercy is forever flowing and forever free. Comfort all our firesides that may be in anxiety, perplexity, or bereavement. Always encourage us to emphasize by precept and example the three great duties of the American citizen; namely, fear God, love the brotherhood,

and honor the State. Everywhere let selfishness be relegated, anger calmed, and avarice give way to beneficence. Thus shall we see the dawn of that Kingdom which comes from above. Amen.

The Journal of the proceedings of yesterday was read and approved.

MAY ADELAIDE SHARP

The SPEAKER laid before the House the following Senate resolution:

*Resolved*, That the House of Representatives be requested to return to the Senate the bill H. R. 6498, entitled "An act for the relief of May Adelaide Sharp."

The SPEAKER. Without objection the request of the Senate will be complied with and the bill will be returned to the Senate.

There was no objection.

#### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the amendments of the Senate Nos. 2, 8, and 11 to the bill H. R. 10982, entitled "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1926, and for other purposes."

The message also announced that the Senate had passed the following resolutions:

#### Senate Resolution 306

*Resolved*, That the Senate has heard with profound sorrow of the death of Hon. HENRY CABOT LODGE, late a Senator from the State of Massachusetts.

*Resolved*, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public service.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

#### Senate Resolution 307

*Resolved*, That the Senate has heard with profound sorrow of the death of Hon. FRANK B. BRANDEGEE, late a Senator from the State of Connecticut.

*Resolved*, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

#### Senate Resolution 308

*Resolved*, That the Senate has heard with profound sorrow of the death of Hon. LEBARON B. COLT, late a Senator from the State of Rhode Island.

*Resolved*, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

*Resolved*, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The message also announced that the President pro tempore had appointed Mr. BUTLER, Mr. PEPPER, and Mr. WALSH of Massachusetts members of the commission on the part of the Senate, as provided for in the joint resolution (H. J. Res. 259) establishing a commission for the participation of the United States in the observance of the one hundred and fiftieth anniversary of the Battle of Lexington and Concord, authorizing an appropriation to be utilized in connection with such observance, and for other purposes, approved January 14, 1925.

#### ENROLLED BILLS SIGNED

Mr. ROSENBLUM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles; when the Speaker signed the same:

H. R. 10982. An act making appropriations for the Treasury and Post Office Departments for the fiscal year June 30, 1926, and for other purposes;

H. R. 3847. An act granting a certain right of way, with authority to improve the same, across the old canal right of way between Lakes Union and Washington, King County, Wash.; and

H. R. 9804. An act to amend the act entitled "An act to create a commission authorized under certain conditions to

refund or convert obligations of foreign governments held by the United States of America, and for other purposes," approved February 9, 1922, as amended February 28, 1923.

#### BONDING AND DESIGNATION OF DEPUTY FISCAL OR DISBURSING AGENTS

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection?

Mr. DOWELL. Reserving the right to object, about what does the gentleman desire to talk?

Mr. BLANTON. I just want to mention a vote that the House is about to take.

The SPEAKER. The Chair hears no objection.

Mr. BLANTON. Mr. Speaker, I rise to call attention to the Haugen bill, on which the House is about to vote, H. R. 8372. That bill changes the law that now exists concerning the paymasters and disbursing agents of every department of this Government—not merely the Agricultural Department, but of every department. These are changes that are going to result in injury to the Treasury. I hope that my colleagues will be careful how they vote on the bill. The bill now consists of a five-page amendment striking out the bill as originally introduced, and it puts five pages of changes of existing law relative to paymasters in every department of the Government on the statute books.

Mr. HAUGEN. The bill is exactly as prepared by the Treasury Department and the Department of Agriculture. The draft was prepared by the two departments, and was first introduced to cover the activities of the Agricultural Department. After consideration and after decision on the part of the comptroller, the other departments were included.

Mr. BLANTON. It is a law relating to the paymasters in the Navy Department and the War Department and every other department.

Mr. HAUGEN. It has general application instead of confining it to one department.

The SPEAKER. The unfinished business is the third reading of the engrossed bill (H. R. 8372) to authorize the designation of deputy fiscal or disbursing agents, and for other purposes. The Clerk will report the bill by title.

The Clerk read the title of the bill.

Mr. BLANTON. Mr. Speaker, for the information of the House, I ask for the reading of the engrossed copy.

The SPEAKER. The Clerk will read the engrossed copy.

The Clerk read as follows:

*Be it enacted, etc.,* That every disbursing clerk, or officer, person, or agent, including any special disbursing agent, or any officer of the Army or Navy, who may be charged with the custody or disbursement of public moneys of the United States, or funds held in trust by the United States, shall, before entering upon his duties, give bond to the United States in such form and in such penalty and with such surety or sureties as may be approved by the head of the department, independent bureau, establishment, or office employing him; and the head of any department, independent bureau, establishment, or office may designate or detail other officers or employees thereof as special disbursing agents whenever he deems it necessary.

In case of the absence from duty, on account of sickness, leave, or unavoidable cause, or otherwise, where it may be necessary in the discretion of the head of the department, independent bureau, establishment, or office employing him, of any disbursing clerk, officer, person, or agent aforesaid, said disbursing clerk, or officer, person, or agent may, with the approval of the head of the department, independent bureau, establishment, or office in which he is employed, authorize a clerk or clerks of highest grade in his office to act for and in his place, or the head of the department, independent bureau, establishment, or office may designate some other officer or officers, employee or employees of the department, independent bureau, establishment, or office, under his jurisdiction and control, to act for and in the place of such disbursing clerk or officer, person, or agent in discharging the duties of the office.

SEC. 2. The official bond given by the regularly designated, appointed, and qualified disbursing clerk, or officer, person, or agent, shall be held to cover and apply to the act of the person or persons so authorized, appointed, or designated to act for and in his place in such cases. Such acting disbursing clerks, or officers, persons, or agents shall, moreover, for the time being, be subject to all the liabilities and penalties prescribed by law for official misconduct in like cases, of the person for whom he or they act, and such acting disbursing clerks, or officers, persons, or agents may be required by the head of the department, independent bureau, establishment, or office to give bond to and in such amount as the disbursing clerk, officer, person, or agent may require, or, in case of a sudden emergency, as may be required by the head of the department, inde-

pendent bureau, establishment, or office; and such acting disbursing clerks or officers, persons, or agents, when so authorized by a disbursing clerk, or officer, person, or agent, or when designated by the head of the department, independent bureau, establishment, or office so to act, shall have authority to issue and sign checks for and in the name of the disbursing clerk, or officer, person, or agent for whom they are acting.

SEC. 3. Section 145 of the Judicial Code is hereby amended by adding thereto a new subdivision, to be numbered third (b), as follows:

"Third (b). The claim of any depository of public funds, of any bank, agency, or person, for relief on account of loss occasioned by acts in contravention of law or regulations made in pursuance thereof, of a paymaster, quartermaster, or other disbursing officer of the United States, while serving in a foreign country, in connection with the issue of official checks against Government funds: *Provided*, That before any petition shall be filed in such a case, the claim shall be certified as proper for adjudication hereunder to the court by the Secretary of the Treasury: *Provided further*, That any relief granted hereunder shall not be held to relieve such paymaster, quartermaster, or other disbursing officer of the United States, or their sureties, from responsibility and liability to the United States for the acts, by reason of which the relief is granted."

SEC. 4. Section 147 of the Judicial Code is hereby amended to read as follows:

"SEC. 147. Whenever the Court of Claims ascertains the facts of any loss by any paymaster, quartermaster, commissary of subsistence, or other disbursing officer, in the cases hereinbefore provided, to have been without fault or negligence on the part of such officer, it shall make a decree setting forth the amount thereof, and upon such decree the proper accounting officers of the Treasury shall allow to such officer the amount so decreed as a credit in the settlement of his accounts.

"Whenever the Court of Claims ascertains the facts of any loss by any depository of public funds or of any bank, agency, or person occasioned by an act of a disbursing officer, or any acting disbursing officer, in contravention of law or regulations made in pursuance thereof, of any paymaster, quartermaster, or other disbursing officer of the United States while serving in a foreign country, in connection with the issuance of official checks against Government funds, it shall make a decree setting forth the amount thereof, and on presentation to the Secretary of the Treasury of a copy of said judgment or decree, certified by the clerk of the Court of Claims and signed by the Chief Justice, and in his absence by the presiding judge of said court, the amount due under such decree or judgment shall be paid as other judgments of the Court of Claims entered under the provisions of section 1059 are paid."

SEC. 5. Section 3646 of the Revised Statutes of the United States, as amended by the act of March 21, 1916, is hereby amended by adding at the end thereof the following:

"That in any case of issuance of a duplicate disbursing officer's check, the Secretary of the Treasury, in his discretion, may waive the execution of the above-required bond."

All provisions of law, general or special, inconsistent herewith are hereby repealed.

The SPEAKER. The question is on the passage of the bill. The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 61, noes 3.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is no quorum present and object to the vote upon that ground.

The SPEAKER. The gentleman makes the point of order that there is no quorum present. It is clear that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in absent Members, and the Clerk will call the roll. The question is on the passage of the bill.

The question was taken; and there were—yeas 188, nays 122, not voting 121, as follows:

[Roll No. 35]  
YEAS—188

Ackerman	Brumm	Dickinson, Iowa	Gifford
Aldrich	Burtness	Dowell	Green
Allen	Burton	Doyle	Griest
Andrew	Butler	Dyer	Guyer
Arnold	Cable	Elliott	Hadley
Aswell	Campbell	Evans, Iowa	Hall
Bacon	Celler	Fairchild	Hardy
Barbour	Chindblom	Fairfield	Haugen
Barkley	Christopherson	Faust	Hawes
Beck	Clague	Fenn	Hawley
Beedy	Clarke, N. Y.	Fish	Hersey
Beers	Cole, Iowa	Fleetwood	Hickey
Begg	Colton	Foster	Hill, Md.
Berger	Cooper, Ohio	French	Holaday
Bixler	Cooper, Wis.	Frothingham	Hudson
Bland	Cramton	Fuller	Hull, Iowa
Boles	Crowther	Fulmer	Hull, Tenn.
Brand, Ohio	Dallinger	Gambrell	Jacobstein
Browne, N. J.	Darrow	Garber	Johnson, Ky.
Browne, Wis.	Denison	Gibson	Johnson, S. Dak.



Johnson, Wash.	Madden	Reid, Ill.	Thompson
Kearns	Magee, N. Y.	Robinson, Iowa	Tilson
Keller	Magee, Pa.	Robison, Ky.	Timberlake
Kelly	Major, Ill.	Rubey	Tincher
Kerr	Manlove	Sanders, N. Y.	Treadway
Ketcham	Mapes	Schneider	Tydings
King	Merritt	Scott	Underwood
Knutson	Michener	Seger	Valle
Kopp	Miller, Wash.	Simmons	Vestal
Kvale	Mills	Sinclair	Vincent, Mich.
LaGuardia	Moore, Ohio	Sinnott	Voigt
Lampert	Moore, Va.	Smith	Wainwright
Lea, Calif.	Moores, Ind.	Snell	Wason
Leach	Murphy	Snyder	Watres
Leatherwood	Nelson, Me.	Sproul, Ill.	Watson
Leavitt	Nelson, Wis.	Sproul, Kans.	Wefald
Leibach	Newton, Mo.	Stalker	White, Kans.
Lineberger	Nolan	Stephens	White, Me.
Linthicum	Parker	Strong, Kans.	Williams, Ill.
Longworth	Patterson	Strong, Pa.	Williams, Mich.
Luce	Peavey	Swank	Williamson
McKenzie	Perkins	Sweet	Winter
McLaughlin, Mich.	Prall	Swing	Woodruff
McLaughlin, Nebr.	Purnell	Tague	Wurzbach
McSweeney	Ramsayer	Taylor, W. Va.	Wyant
MacGregor	Rathbone	Temple	Yates
MacLafferty	Reece	Thatcher	Zihlman

## NAYS—122

Abernethy	Doughton	Lazaro	Rankin
Allgood	Drane	Lilly	Rayburn
Almon	Driver	Lowrey	Reed, Ark.
Ayres	Evans, Mont.	Lozler	Richards
Bankhead	Fisher	Lyon	Romjue
Bell	Fulbright	McClintic	Sabath
Black, N. Y.	Gardner, Ind.	McDuffie	Salmon
Black, Tex.	Garner, Tex.	McKeown	Sanders, Tex.
Blanton	Garrett, Tenn.	McReynolds	Sandlin
Bowling	Garrett, Tex.	McSwain	Sherwood
Box	Gasque	Major, Mo.	Sites
Brand, Ga.	Gilbert	Martin	Speaks
Browning	Glatfelter	Mead	Steagall
Buchanan	Hammer	Montague	Stedman
Bulwinkle	Hastings	Mooney	Stengle
Busby	Hill, Ala.	Moore, Ga.	Summers, Wash.
Byrnes, S. C.	Hill, Wash.	Morehead	Sumners, Tex.
Byrns, Tenn.	Hoch	Morrow	Taylor, Colo.
Cannon	Hooker	Newton, Minn.	Thomas, Ky.
Carter	Howard, Nebr.	O'Connell, R. I.	Thomas, Okla.
Collier	Howard, Okla.	O'Connor, La.	Tucker
Collins	Huddleston	Oldfield	Upshaw
Connally, Tex.	Hudspeth	Oliver, Ala.	Ward, N. C.
Connery	Humphreys	Park, Ga.	Watkins
Cook	Jeffers	Parks, Ark.	Weaver
Crisp	Johnson, Tex.	Peery	Williams, Tex.
Crosser	Jones	Pou	Wilson, Ind.
Cummings	Jost	Quin	Wilson, La.
Davey	Kincheloe	Ragon	Woodrum
Davis, Tenn.	Lanham	Rainey	
Dickinson, Mo.	Lankford	Raker	

## NOT VOTING—121

Anderson	Fitzgerald	McLeod	Schall
Anthony	Frear	McNulty	Sears, Fla.
Bacharach	Fredericks	Mansfield	Sears, Nebr.
Bloom	Free	Michaelson	Shallenberger
Boyce	Freeman	Miller, Ill.	Shreve
Boylan	Funk	Milligan	Smithwick
Briggs	Gallivan	Minahan	Spearing
Britten	Geran	Moore, Ill.	Stevenson
Buckley	Goldsborough	Morgan	Sullivan
Burdick	Graham	Morin	Swoope
Canfield	Greenwood	Morris	Taber
Carew	Griffin	O'Brien	Taylor, Tenn.
Casey	Harrison	O'Connell, N. Y.	Tillman
Clancy	Hayden	O'Connor, N. Y.	Tinkham
Clark, Fla.	Hull, Morton D.	O'Sullivan	Underhill
Clary	Hull, William E.	Oliver, N. Y.	Vare
Cole, Ohio	James	Palge	Vinson, Ga.
Connolly, Pa.	Johnson, W. Va.	Perlman	Vinson, Ky.
Corning	Kendall	Phillips	Ward, N. Y.
Croll	Kent	Porter	Weller
Cullen	Kless	Quayle	Welsh
Curry	Kindred	Ransley	Wertz
Davis, Minn.	Kunz	Reed, N. Y.	Wilson, Miss.
Deal	Kurtz	Reed, W. Va.	Wingo
Dempsey	Langley	Roach	Winslow
Dickstein	Larsen, Ga.	Rogers, Mass.	Wolff
Dominick	Larson, Minn.	Rogers, N. H.	Wood
Drewry	Lee, Ga.	Rosenbloom	Wright
Eagan	Lindsay	Rouse	
Edmonds	Logan	Sanders, Ind.	
Favrot	McFadden	Schafer	

So the bill was passed.

The Clerk announced the following pairs:  
Until further notice.

Mr. Free with Mr. Harrison.  
Mr. Morgan with Mr. Smithwick.  
Mr. Porter with Mr. Gallivan.  
Mr. Shreve with Mr. Dominick.  
Mr. McFadden with Mr. Morris.  
Mr. Graham with Mr. Milligan.  
Mr. Fredericks with Mr. Croll.  
Mr. Connolly of Pennsylvania with Mr. Buckley.  
Mr. Bacharach with Mr. Kindred.  
Mr. McLeod with Mr. Tillman.  
Mr. Anthony with Mr. Wingo.  
Mr. Winslow with Mr. Briggs.  
Mr. Ransley with Mr. Larsen of Georgia.  
Mr. Wood with Mr. Carew.  
Mr. Vare with Mr. Major of Illinois.

Mr. Sanders of Indiana with Mr. Cullen.  
Mr. Wertz with Mr. O'Connell of New York.  
Mr. Burdick with Mr. Geran.  
Mr. Reed of West Virginia with Mr. Quayle.  
Mr. Swoope with Mr. Greenwood.  
Mr. Taylor of Tennessee with Mr. Spearing.  
Mr. Kiess with Mr. Hayden.  
Mr. William E. Hull with Mr. Griffin.  
Mr. Kurtz with Mr. Shallenberger.  
Mr. Taber with Mr. Rouse.  
Mr. Kendall with Mr. Goldsborough.  
Mr. James with Mr. Sears of Florida.  
Mr. Underhill with Mr. Rogers of New Hampshire.  
Mr. Tinkham with Mr. Drewry.  
Mr. Rogers of Massachusetts with Mr. Stevenson.  
Mr. Freeman with Mr. Wright.  
Mr. Davis of Minnesota with Mr. Vinson of Georgia.  
Mr. Curry with Mr. Johnson of West Virginia.  
Mr. Ward of New York with Mr. Weller.  
Mr. Anderson with Mr. Sullivan.  
Mr. Welsh with Mr. Wilson of Mississippi.  
Mr. Michaelson with Mr. Bloom.  
Mr. Britten with Mr. Vinson of Kentucky.  
Mr. Moore of Illinois with Mr. Kent.  
Mr. Paige with Mr. Boylan.  
Mr. Reed of New York with Mr. Kunz.  
Mr. Roach with Mr. Canfield.  
Mr. Sears of Nebraska with Mr. Lee of Georgia.  
Mr. Larson of Minnesota with Mr. Casey.  
Mr. Morton D. Hull with Mr. Lindsay.  
Mr. Funk with Mr. Corning.  
Mr. Phillips with Mr. Logan.  
Mr. Dempsey with Mr. Mansfield.  
Mr. Morin with Mr. Clancy.  
Mr. Edmonds with Mr. McNulty.  
Mr. Schall with Mr. Cleary.  
Mr. Miller of Illinois with Mr. Minahan.  
Mr. Cole of Ohio with Mr. Deal.  
Mr. Fitzgerald with Mr. O'Brien.  
Mr. Perlman with Mr. Dickstein.  
Mr. Browne of Wisconsin with Mr. O'Connor of New York.  
Mr. Rosenbloom with Mr. Eagan.  
Mr. Shafer with Mr. Oliver of New York.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, the Doorkeeper will open the doors.

The title was amended.

On motion of Mr. HAUGEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

## RECONSIDERATION OF H. R. 11066

Mr. FRENCH. Mr. Speaker, I move to reconsider the vote by which the bill (H. R. 11066) to authorize the construction of a bridge across Pend D'Oreille River, Bonner County, Idaho, was passed.

The SPEAKER. The gentleman from Idaho moves to reconsider the vote by which a bill was passed, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 11066) to authorize the construction of a bridge across the Pend D'Oreille River, Bonner County, Idaho, at the Newport-Priest River road crossing, Idaho.

## EULOGIES

Mr. TREADWAY. Mr. Speaker, I offer a resolution which I send to the Clerk's desk and ask its immediate consideration.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Ordered, That Sunday, February 15, 1925, at 2 p. m., be set apart for addresses on the life, character, and public services of the Hon. HENRY CABOT LODGE, late a Senator from the State of Massachusetts.

The question was taken, and the motion was agreed to.

Mr. TILSON. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Ordered, That Sunday, February 15, at 2 p. m., be set apart for addresses on the life, character, and public services of the Hon. FRANK B. BRANDEGEE, late a Senator from the State of Connecticut.

The question was taken, and the motion was agreed to.

Mr. ALDRICH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

Ordered, That Sunday, February 15, at 2 p. m., be set apart for addresses on the life, character, and public services of the Hon. LEBARON B. COLT, late a Senator from the State of Rhode Island.

The question was taken, and the motion was agreed to.

## DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. SHREVE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11753, a bill making appropriations for the Departments of State and Justice, and the judiciary, and the Departments of Commerce and Labor for the fiscal year ending 1926, and, pending that, Mr. Speaker, I would like to ask the gentleman from Alabama [Mr. OLIVER] if we can agree on time for general debate.

Mr. OLIVER of Alabama. Mr. Speaker, I suggest that two hours will accommodate this side with the understanding by agreement we yield at once to Mr. GARRETT of Tennessee to discuss the subject of constitutional amendments.

Mr. SHREVE. Mr. Speaker, I ask unanimous consent that debate be limited to four hours, two hours on a side, one-half to be controlled by the gentleman from Alabama and the other half by myself.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that general debate be limited to four hours, half of which time to be controlled by himself and half by the gentleman from Alabama [Mr. OLIVER]. Is there objection? [After a pause.] The Chair hears none. The question is on the motion of the gentleman from Pennsylvania to go into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11753, with Mr. SNELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 11753, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 11753) making appropriations for the Departments of State and Justice, and for the judiciary, and for the Departments of Commerce and Labor for the fiscal year ending June 30, 1926, and for other purposes.

Mr. SHREVE. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

Mr. BLANTON. Reserving the right to object, will the gentleman couple with his request that the bill be printed without reading?

Mr. SHREVE. Mr. Chairman, I very reluctantly insist that we shall proceed in the orderly way, because it has come to my attention that the last two bills which have been printed in the CONGRESSIONAL RECORD cost the Government over \$1,000, and as long as the information can be found here I really wish the gentleman would not make that request.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. BLANTON. I do not think there will be if the Chair will give me a minute to discuss this matter. I will not take over a half minute. I shall not put the House to the trouble of hearing this bill read; that would be beyond reason, and I am not going to do that, but I am going to discuss after a while the necessity for printing these bills in the Record, which I think must convince the gentlemen of the steering committee that there is a vital necessity for it.

Mr. SHREVE. I shall be glad to give the gentleman some time.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania? [After a pause.] The Chair hears none.

## MESSAGE FROM THE SENATE

The committee rose informally; and Mr. TILSON having taken the chair as Speaker pro tempore, a message from the Senate by Mr. Craven, one of its clerks, announced that the Senate had passed without amendment bills of the following titles:

H. R. 10467. An act granting the consent of Congress to the Huntington & Ohio Bridge Co. to construct, maintain, and operate a bridge across the Ohio River between the city of Huntington, W. Va., and a point opposite in the State of Ohio; and

H. R. 4168. An act to amend an act entitled "An act to punish the unlawful breaking of seals of railroad cars containing interstate or foreign shipments, the unlawful entering of such cars, the stealing of freight and express packages or baggage or articles in process of transportation in interstate shipment, and the felonious asportation of such freight or express packages or baggage or articles therefrom into another district of the United States, and the felonious possession or reception

of the same," approved February 13, 1913 (37 Stat. L. p. 670).

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the bill (S. 3622) granting the consent of Congress to the Louisiana Highway Commission to construct, maintain, and operate a bridge across the Bayou Bartholomew at each of the following-named points in Morehouse Parish, La.: Vester Ferry, Ward Ferry, and Zachary Ferry.

## ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL

Mr. ROSENBLUM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bill:

H. R. 11308. An act making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1925, and prior fiscal years, to provide urgent supplemental appropriations for the fiscal year ending June 30, 1925, and for other purposes.

## DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND LABOR APPROPRIATION BILL

Mr. SHREVE. Mr. Chairman, I yield 30 minutes to the distinguished gentleman from Tennessee, the leader on the other side of the House. [Applause.]

Mr. OLIVER of Alabama. And I yield 30 minutes to the gentleman from Tennessee.

The CHAIRMAN. The gentleman from Tennessee is recognized for one hour.

## PROPOSED AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES

Mr. GARRETT of Tennessee. Mr. Chairman, the Committee on the Judiciary have reported favorably and there is now upon the calendar House Joint Resolution No. 68, proposing an amendment to the Constitution of the United States.

This resolution, I may say, was introduced by me during the Sixty-seventh Congress, but for satisfactory reasons was not then vigorously pressed and was not acted upon by the committee. On December 10, 1923, at the beginning of the first session of the Sixty-eighth Congress, I reintroduced it, and at a later date the Committee on the Judiciary graciously accorded hearings to myself and others upon it and made its favorable report on June 3, 1924.

I have been assured by the distinguished majority leader, the gentleman from Ohio [Mr. LONGWORTH], that in all probability an opportunity will shortly be given to consider and act upon it in the House, and hence I am taking advantage of the courtesy tendered me by the gentleman from Pennsylvania [Mr. SHREVE] and the gentleman from Alabama [Mr. OLIVER] in yielding time during the general debate upon this appropriation bill to bring it to the attention of Members, to the end that they may be considering it against the day of further discussion and action.

I may say in passing that a precisely similar resolution was introduced in the Senate by the Senator from New York [Mr. WADSWORTH], and, following the custom of attaching to bills and resolutions the names of the introducers, it is commonly referred to as the Wadsworth-Garrett amendment.

It has been the subject of some discussion in the Senate. The Judiciary Committee of that body have reported it in an amended form. Time permitting, I shall later make reference to the Senate resolution as amended. For the present I shall confine myself to the House resolution, which was reported in the exact form in which it was introduced.

It is as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein). That the following article, in lieu of Article V, be proposed to the several States as an amendment to the Constitution of the United States, which shall become valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States:*

## ARTICLE —

The Congress, whenever two-thirds of each House shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which in either case shall be valid to all intents and purposes as part of this Constitution when ratified by three-fourths of the several States through their legislatures or conventions as the one or the other mode of ratification may be proposed by the Congress or the convention: *Provided*, That the members of at least one house in each of the legislatures which may ratify shall be elected after such amendments have been proposed; that any State may require that ratification by its legislature be subject to con-



affirmation by popular vote; and that until three-fourths of the States have ratified or more than one-fourth of the States have rejected or defeated a proposed amendment any State may change its vote: *And provided further*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

From the reading it will be observed that it is a proposal to amend Article V of the Constitution, commonly known as the amending clause. I shall later point out the specific changes that are proposed, and it will perhaps be well to have read at this time Article V. I will ask the Clerk to do so.

The Clerk read as follows:

#### ARTICLE V

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which in either case shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress: *Provided*, That no amendment which may be made prior to the year 1808 shall in any manner affect the first and fourth clauses in the ninth section of the first article, and that no State, without its consent, shall be deprived of its equal suffrage in the Senate.

Before coming to a discussion of the particular changes proposed and the reasons believed to merit them I venture briefly to refer to the history of the article and some of the actions thereunder by the Congress and by the States.

It seems to have been very generally agreed by the delegates who formulated the Constitution that provision should be made in the instrument itself for its amendment. That convention was composed of much of the intellectual and moral aristocracy of America. Each State was permitted to send as many delegates as it chose, and 12 States participated through delegates in its deliberations. Rhode Island alone refused to take part. Seventy-two of the foremost leaders of thought in these 12 States had been offered or given credentials, but in fact the greatest actual attendance was 55. Of these, 39 signed the completed document, while 16 declined to give to it their sanction and support.

Practically all of these delegates had been—many of them were at the time—members of the Continental Congress which had authorized and called the convention. It was indeed called not for the purpose of creating a new national organic law, but rather as a body to propose amendments to the Articles of Confederation, but as their labors advanced the Federal conception grew and grew until there was evolved a Nation.

In providing a method of amendment to be inserted into the body of the instrument the framers entered upon a comparatively new field.

Practically the only precedents were found in the action of the States themselves. Following the Declaration of Independence many of the States had remodeled their organic law. In most instances this was done hurriedly and the work was crude. It was meant to be temporary in character pending the outcome of the war. Jameson says:

The first batch of American Constitutions, moreover, were many of them framed in extreme haste, for temporary purposes, when little was thought or known of the best modes of constructing or amending such instruments. In several instances the State governments were intended to be mere provisional organizations, to be laid aside, not when new and better ones should be provided, but upon the expected contingency of a peace with England, following as a consequence of a redress of grievances. The result was that the Constitutions first framed generally contained no provision for their future amendment, since the necessity of amendment was not at that time apprehended.

By 1787, however, eight of the State constitutions did contain amending provisions.

The delegates to the Constitutional Convention of 1787 familiar with the weaknesses of the Confederation realized that one of the most glaring of these was the provision contained in the thirteenth article thereof, which prevented any alteration save as it should "be agreed to in a Congress of the United States and be afterwards confirmed by the legislature of every State."

They appreciated the fact that changing conditions would necessitate alterations; their ripe acquaintance with history and that profound knowledge of human nature which made them preeminent leaders of men and States caused them to understand full well that such alterations would inevitably come, if not through peaceable and orderly activities then through bloody revolution, and wisely they were of a mind to provide an avenue for the first method.

It is true that in the Madison papers (p. 795) it is said that when the thirteenth resolution of the series offered by Mr. Randolph as the Virginia plan to the effect that—

provision ought to be made for hereafter amending the system now to be established without requiring the assent of the National Legislature—

Was taken up—

Mr. Pinckney doubted the propriety or necessity of it.

It will be recalled that two Pinckneys sat, as delegates in the convention from South Carolina, both named Charles.

The utterance mentioned in the Madison papers evidently was that of Charles Cotesworth Pinckney, because Charles Pinckney, who by the way was then but 29 years of age, himself presented a "plan" to the convention, a large part of which is now in the Constitution, and the sixteenth and last article of his plan was an amending clause.

At still another place in the Madison papers (p. 844) it is said that—

several members did not see the necessity of the resolution at all, nor the propriety of making the consent of the National Legislature necessary.

But evidently those who doubted in the beginning were convinced in the end. The proposition was several times before the body and was urged and debated by Madison and Mason, by Randolph and Hamilton, and perhaps most earnestly of all by Gerry.

Probably no better statement of the philosophy of an amending clause can be found than is contained in the remarks of Mr. James Iredell in the North Carolina convention, called to pass upon the question of ratification, when he said:

Mr. Chairman, this is a very important clause. In every other constitution of government that I have ever heard or read of no provision is made for necessary amendments. The misfortune attending most constitutions which have been deliberately formed has been that those who formed them thought their wisdom equal to all possible contingencies, and that there could be no error in what they did. The gentlemen who framed this Constitution thought with much diffidence of their capacities; and, undoubtedly, without a provision for amendment it would have been more justly liable to objection, and the characters of its framers would have appeared much less meritorious. This, indeed, is one of the greatest beauties of the system, and should strongly recommend it to every candid mind. The constitution of any government which can not be regularly amended when its defects are experienced reduces the people to this dilemma—they must either submit to its oppressions or bring about amendments, more or less, by a civil war.

But while agreed as to the necessity for an amending clause there were sharp differences of opinion as to what machinery should be created for accomplishing the purpose desired. The English system with which the delegates were entirely familiar enabled the Parliament to effect fundamental changes in the constitution in the same way as in the statute law. This did not appeal to the "fathers." Indeed, to have adopted this policy would have been wholly incongruous and would have resulted in the almost immediate destruction of their handiwork. They were embodying in organic, basic law too many limitations upon the power and authority of the very government they were creating to admit of leaving it to be altered by ordinary legislative processes.

He who would grasp the philosophy of the Constitution of these United States may not overlook its negatives. In the "Thou shalt nots" of the instrument lie embedded the basic assurances of the liberties of the individual and the masses. Through them there is woven into its fabric the deep things of Magna Charta, the Bill of Rights, the habeas corpus act, and the Petition of Right—that is, "No taxation without representation," which had its origin, not in the Petition of Right granted by Charles I in 1628 to the English people, but in an act passed by the Virginia House of Burgesses in 1624 at Jamestown, Va., the first announcement of this great principle to a distracted world.

They were unwilling to intrust the liberties thus crystallized into organic law to the hazard of unrestrained legislative whim or unbridled legislative passion, and so they evolved the dual plans of amendment embodied in Article V.

It is frequently remarked that almost every article of the Constitution was the result of compromise, and such, indeed, is the fact; and it is interesting to note that the two major compromises, without the making of which the Union probably could never have been formed, are to be found in the few lines of the proviso in this article wherein it is declared:

That no amendment which may be made prior to the year 1808 shall in any manner affect the first and fourth clauses in the ninth section



of the first article; and that no State without its consent shall be deprived of its equal suffrage in the Senate.

The first clause is the one which inhibited legislation by the Federal Government permitting—

the migration or importation of such persons as any of the States now existing shall think proper to admit.

Its primary purpose was to prevent the inhibition of the importation of slaves, and their migration either from the country as a whole or from one State to another.

There was involved in this not only the question of slavery and its recognition in the organic law but of political power, because the fourth clause of section 1 of Article I had made slaves a basis of representation in the House of Representatives by providing that three-fifths of all slaves should be added to the whole number of free persons, excluding Indians not taxed, in apportioning Representatives.

It is worthy of notice as reflecting the spirit of those times that the first suggestion upon the subject was for permanent prohibition of legislation preventing importation.

Later in the proceedings it was proposed to fix upon the year 1800. Upon motion of Mr. Pinckney of South Carolina, seconded by Mr. Gorham of Massachusetts, 1800 was stricken out and 1808 substituted. Mr. Madison vigorously resisted this extension, saying:

Twenty years will produce all the mischief that can be apprehended from the liberty to import slaves. So long a term will be more dishonorable to the American character than to say nothing about it in the Constitution.

The vote upon this important question of extension was 7 States for and 4 against, the former being New Hampshire, Massachusetts, Connecticut, Maryland, North Carolina, South Carolina, and Georgia, while the negative votes were cast by New Jersey, Pennsylvania, Delaware, and Virginia.

The fourth clause of section 1, Article I, which it provided should not be altered prior to 1808 was that which declared that:

No capitation, or other direct, tax shall be laid, unless in proportion to the census or enumeration hereinbefore directed to be taken.

Time has eliminated the inhibition provided in Article V as to legislation or amendment upon these subjects. They are dead things in the organic law, and, of course, the resolution presented by myself omits them from its text.

The second matter which was rendered unamendable save by the action of all the States was that of equal representation in the Senate. That remains a vital, living thing in the Constitution to-day, and is not likely ever to be altered. That can not be amended in the ordinary way by two-thirds of the Congress and three-fourths of the States. To amend it would require the action of all. It is continued in the resolution which I introduced and which the Committee on the Judiciary have reported in the exact words of the original:

That no State without its consent shall be deprived of its equal suffrage in the Senate.

The amending clause of the Constitution was brought under scrutiny in *The Federalist* during the period between submission and ratification of the instrument, and under even keener scrutiny in the debates of the State conventions assembled to consider the question of ratification. It was the subject of vigorous criticism by Patrick Henry in the Virginia convention, because he regarded it as too restricted. He even went so far as to assert, "The way to amendment is, in my conception, shut."

That he was wrong was shortly to be quite conclusively proven.

#### THE FIRST TEN AMENDMENTS

In the various State conventions held to consider the question of ratification discussion elicited the fact that there was a widespread demand for additions to the instrument. This was particularly emphasized in Massachusetts, New York, and Virginia, while in Pennsylvania unofficial convocations of citizens were voicing their demands to this end. It is frequently asserted that had it not been well understood that amendments were to be speedily proposed, ratification by nine States, the requisite number for forming the Union, would not have taken place.

However this may be, it is certain that the demands were buttressed by a support so powerful as to make it imperative that they be considered.

Accordingly, on Monday, June 8, 1789, in accordance with notice previously given, Mr. James Madison, of Virginia, moved

that the House resolve itself into the Committee of the Whole for the consideration of constitutional amendments. The motion met with immediate resistance. We need not follow the subject through the various parliamentary stages. Suffice it to say that it finally reached the point on that day when Mr. Madison outlined at length his views as to what amendments should be submitted. He had nine proposals, but these embraced all and more than is contained in the first 10 amendments.

It was peculiarly appropriate that the movement should be initiated by Mr. Madison. By common consent he was regarded as the most potent character, taking it all in all, who sat as a delegate in the Constitutional Convention at Philadelphia. With Jay and Hamilton, whose actual participation in the convention was quite limited, but whose tremendous labors for ratification unquestionably secured favorable action by New York, Madison shared the honor of having produced the searching papers that constitute *The Federalist*, wherein is to be found the most exhaustive and comprehensive contemporary analysis of every paragraph and sentence of the instrument, and he had been its greatest tower of strength in the ratification convention of Virginia.

It is probably not putting it too extravagantly to say that the greatest intellectual battle ever waged upon this continent was in that Virginia convention.

Patrick Henry emerged from that assemblage defeated so far as ratification was concerned, because all his powers of splendid and scintillating genius were expended against it, but he remained, in that age and state of many immortal men, the most powerful political figure of that particular era.

In the legislature which chose the first United States Senators it was he who denied a seat to Madison and dictated the selection of Richard Henry Lee and William Grayson, who had been most potent figures in building up sentiment adverse to ratification. He went still further. In arranging the congressional districts of Virginia he caused the assembly to so place the county of Mr. Madison's residence as that it was believed he could not secure election to the House. In this, however, he failed. Mr. Madison was elected to the House, defeating Mr. James Monroe with whom subsequently he was to be upon terms of close political amity. Monroe as a member of the Virginia convention had opposed ratification.

The Madison proposals finally were agreed to in the House on August 24, 1789. After being debated in the Senate they were the subject of conference between the two Houses and were finally passed by the Senate on September 25.

Being thus submitted they were ratified by the following States, and the notifications of the action from the governors thereof were successively communicated by the President to Congress:

New Jersey, November 20, 1789; Maryland, December 19, 1789; North Carolina, December 22, 1789; South Carolina, January 19, 1790; New Hampshire, January 25, 1790; Delaware, January 28, 1790; Pennsylvania, March 10, 1790; New York, March 27, 1790; Rhode Island, June 15, 1790; Vermont, November 3, 1791; and Virginia, December 15, 1791. There is no evidence on the journals of Congress that the Legislatures of Connecticut, Georgia, and Massachusetts ratified them.

The failure of Massachusetts to act is somewhat singular in view of the fact that her convention had stressed the importance of practically all the principles contained therein being inserted into the organic law.

Just here it may be a matter of some historical interest to note that there were two other amendments submitted by that Congress which failed of ratification. The idea underlying both of them was contained in the original Madison proposals.

The first had to do with the compensation of Members of the Congress.

Clause 1 of section 6 of article 1 in its first sentence provides as follows:

The Senators and Representatives shall receive a compensation for their services, to be ascertained by law, and paid out of the Treasury of the United States.

It was proposed to amend by adding to the sentence these words:

But no law varying the compensation last ascertained shall operate before the next ensuing election of representatives.

This proposed amendment was ratified by the legislatures of six States, rejected by five, and there is no record of action by three. Vermont had been admitted as a State, it will be remembered, thus making 14 States.

The other proposal had to do with the apportionment of Representatives.



It was proposed to so change clause 3 of section 2, Article I, as that it should provide that after the first actual enumeration of population there should be one Representative for every 30,000 until the number should amount to —, after which the proportion should be so regulated by Congress that the number should never be less than — nor more than —, but that after the first enumeration each State have at least two Representatives.

This amendment was ratified by the legislatures of 10 States. Pennsylvania at first rejected on March 10, 1791, but ratified in September upon reconsideration. Three States—Massachusetts, Connecticut, and Georgia—failed to act, and one—the State of Delaware—rejected.

It would be interesting to know just why Delaware rejected the amendment. It would have given her two Representatives instead of one. I am not sure, but I believe that State has never except for one 10-year period had more than one Representative here; but if I may be permitted to say it, she has sent many here who have contributed vastly to the Nation's weal. She has one here now in the person of Judge Boyce, who is the peer of any lawyer in the Congress [applause], and I personally regret that he was not permitted to remain and give to us and the country the benefit of his extraordinary talents and ability. [Applause.]

Delaware to this day takes infinite pride in the fact that she was the first State to ratify the Constitution, and throughout her entire history she has been extremely conservative upon the question of alterations and changes.

I wish at this point to borrow from the great speech made in the House by the gentleman from Virginia [Mr. TUCKER] on January 3, 1924, discussing the so-called Sterling-Towner bill. In that he gave some very instructive history of the personnel of the First Congress, which has a peculiarly appropriate place, I think, just here. Mr. TUCKER said:

The First Congress of the United States was composed of 92 Members, Senators and Representatives. Of that number, 51 had been members either of the Federal convention which proposed the Constitution or of the conventions of the several States which ratified it. The character and ability of these men could not be questioned. The members of the Federal convention who were members of this First Congress were:

Connecticut: Oliver Ellsworth, William S. Johnson, and Roger Sherman.

Delaware: Richard Bassett and George Read.

Georgia: William Few and Abraham Baldwin.

Maryland: Daniel Carroll.

Massachusetts: Tristram Dalton, Caleb Strong, Elbridge Gerry.

New Hampshire: John Langdon and Nicholas Gilman.

Pennsylvania: George Clymer, Robert Morris, and Thomas Fitzsimons.

South Carolina: Pierce Butler.

Virginia: James Madison.

New Jersey: William Paterson.

The Members of the First Congress who were also members of the conventions in their several States that ratified the Constitution were as follows:

Maryland: Charles Carroll of Carrollton, Joshua Seney, William Smith, and Michael Jenifer Stone.

Massachusetts: Tristram Dalton, Caleb Strong, Elbridge Gerry, George Partridge, and Theodore Sedgwick.

New Hampshire: John Langdon and Samuel Livermore.

New York: John Laurance.

North Carolina: John Steele and Timothy Bloodworth.

Pennsylvania: Thomas Hartley, Frederick A. Muhlenberg, and Henry Wynkoop.

Rhode Island: Joseph Stanton, jr., and Benjamin Bourn.

South Carolina: Ralph Izard, Thomas Sumter, Aedamus Burke, and William Smith.

Virginia: William Grayson, Richard Henry Lee, Andrew Moore, Alexander White, James Madison, jr., Theodorick Bland, and Isaac Coles.

Some of these men had been leaders in the Federal convention. Many of them had been leaders in their State conventions. Mr. Madison and a few others were in both the Federal convention and their State conventions.

#### THE ELEVENTH AMENDMENT

The eleventh amendment, which inhibits the extension of the judicial power to any suit in law or equity commenced or prosecuted against one of the United States by citizens of another State or by citizens or subjects of any foreign State, was the direct result of the decision of the Supreme Court in the famous case of *Chisholm, executor, v. The State of Georgia* (2d Dallas, p. 419), in which it was held that a State was liable to be sued as a defendant by an individual citizen of another State.

From the standpoint of a lawyer, it seems now impossible to escape the force of the logic of the court in this its first decision of importance upon a constitutional question, although Mr. Madison in debate in the Virginia convention had denied that the Constitution would warrant the exercise by the Supreme Court of the power to summon an unwilling State as defendant against an individual. He said, "It is not in the power of individuals to call any State into court."

Not only Madison so declared, but John Marshall, who was to become the greatest of constitutional interpreters, in one of the greatest addresses before that convention, said:

I hope that no gentleman will think that a State will be called at the bar of the Federal court. \* \* \* It is not rational to suppose that the sovereign power should be dragged before a court. The intent—

Said Mr. Marshall—

is to enable States to recover claims of individuals residing in other States.

He indicates a belief that a legislature of a State might be made a party, but scorns the idea that a State could be such.

It would be interesting to know how Marshall, had he been upon the bench in the fullness of his superb intellectual powers, would have decided the case of *Chisholm, Executor, against Georgia*, and what influence his dominating mentality would have had upon his colleagues of the court.

It is interesting to note that Mr. Randolph, who as Attorney General of the United States and as such counsel for the plaintiff in *Chisholm against Georgia*, was to file the motion on August 11, 1792, summoning the State to the bar of the court and argue it before that even then august tribunal, did not in the Virginia convention express any specific views upon the question which Madison and Marshall so summarily and dogmatically disposed of.

Fear had been voiced in many quarters as to what construction would be given to the language of section 2 of article 3, providing that the—

Judicial power shall extend to \* \* \* controversies \* \* \* between a State and citizens of another State.

Rhode Island, in ratifying the Constitution in May, 1790, had declared that the—

judicial power of the United States, in cases in which the State may be a party, does not extend to criminal prosecutions or to authorize any suit by a person against a State,

and in order to remove all doubt they proposed an amendment asserting that Congress did not have the power to interfere with a State in the redemption of its paper money.

However logical the decision in the case, it shocked the sensibilities of the States beyond our power now to conceive. The conception of State sovereignty was quite different in those days from what it is to-day.

Georgia with mingled fineness of dignity and contempt had refused to answer at the bar of the court. Through Messrs. Ingersoll and Dallas she did present to the court a written remonstrance and protestation against the exercise of jurisdiction, but declined to plead or argue the question.

Mr. Randolph's opening sentences were:

I did not want the remonstrance of Georgia to satisfy me that the motion which I have made is unpopular. Before that remonstrance was read I had learnt from the acts of another State, whose will must be always dear to me, that she, too, condemned it.

This latter sentence doubtless refers to Maryland, which also had been summoned in suit as had New York and Massachusetts.

In their indignation the Legislature of Georgia passed a law subjecting to the death penalty "without benefit of clergy" any officer who should serve such a process against that State. [Laughter and applause.]

Had the decision of the court been permitted to stand as the supreme law of the land there can be little doubt but that dissolution of the Union would have almost immediately followed, perhaps, virtually by unanimous consent.

The amending clause of the Constitution furnished, however, an easy method of solution, and recourse was had to it for "recall of the decision."

Two days after the decision there was introduced in the Senate a resolution in the exact phraseology of the present eleventh amendment. It was briefly considered and action postponed, but the States began to speak in language whose meaning was clear, and at the next session it was reintroduced. It passed the Senate by a vote of 23 to 2 and the House by 89 to 1, and was ratified by 13 of the 16 States.

An interesting question arose in connection with the question of ratification.

Kentucky was admitted to the Union in 1792 and was the twelfth State to ratify, making the required three-fourths. Nevertheless the letters of Mr. Pickering, Secretary of State, indicate that he was for a time in doubt as to whether the requisite three-fourths had ratified on account of the admission of the State of Tennessee. Finally, however, it was shown to have received three-fourths before Tennessee was admitted, which was in June, 1796, more than two years subsequent to its submission. There is no record of action by New Jersey and Pennsylvania. This was possibly due to the fact that it had been ratified by the requisite number and had become a part of the organic law before their legislatures met.

#### THE TWELFTH AMENDMENT

The twelfth amendment in the form in which it appears may be said to be the outgrowth of the presidential election of 1800 wherein Thomas Jefferson and Aaron Burr received an equal number of electoral votes and the election was thrown into the House of Representatives.

The method of selecting the President of the United States was one of the last questions settled in the constitutional convention. After it had been determined that the executive power should be lodged in a single person to be known as President, the method of selection under the dual form of government, that was being established, became at once a most puzzling and irksome problem.

The electoral college system with the proviso for the House of Representatives to act in the event of failure to make a choice by the first plan was finally determined upon.

It has been said that "this was the great failure of the Constitution."

Mr. James M. Beck in his recent most interesting work on the Constitution says:

Direct election by the people was deemed impossible, as it was apprehended that each State would vote for its own leading citizen and no election would result. History gave the delegates two great examples of an indirect selection of a Chief Executive; the one was the Holy Roman Empire, whose head was selected by so-called electors, and the other was the head of the Roman Catholic Church, who was selected by the College of Cardinals. Unable thus to solve the problem, the question was referred to a committee, and this committee recommended the plan, not of one electoral college, which theoretically might have been effective, but of as many colleges as there were States, for each State was empowered to select its own electors, who should meet by themselves and then certify their choice to the Central Government. There was thus no joint deliberation between all the electors in any one session.

The original provision in the Constitution provided that the electors should vote for two persons for President; that the one receiving the highest vote, provided it was a majority of the whole vote cast, should be President; and that the person receiving the second highest vote should be Vice President.

President Washington was twice unanimously elected President, with John Adams as Vice President, but by 1796 political parties had begun to form, with the result that under the system provided in the Constitution persons of different political faith—Adams and Jefferson—were elected President and Vice President, respectively. This of itself led to agitation for a change of plan, and the tie vote of Jefferson and Burr in 1800 so emphasized the situation that the twelfth amendment was formulated and submitted to the legislatures of the States.

It provides that the electors shall vote for one person for President and one for Vice President.

Partisan politics entered into its consideration in both the Congress and the legislatures.

In the first session of the Seventh Congress, while passing the House by a vote of 47 to 14, it lacked one vote of securing the necessary two-thirds in the Senate, the vote there being 15 to 8; but it secured the requisite number in both branches during the first session of the Eighth Congress, being finally passed December 12, 1803.

The Federalists, although they had in previous years sought this change, now set themselves against it, and it became a party issue throughout the country. In the House of Representatives the objection was made that it had not constitutionally passed the Senate, because, while it had received two-thirds of the votes of those present, a quorum being in attendance, yet it did not receive two-thirds of the whole membership of that body. In answer to that the Republicans—Democrats—pointed to the precedent fixed in the submission of the first ten. Some of these had not a two-thirds of the entire membership, but only a two-thirds of those present, a quorum being present.

In an address by a Mr. O'Neil, issued to the people of Connecticut, it was said:

The plan of this amendment is to bury New England in oblivion and put the reins of Government into the hands of Virginia forever.

Only three Representatives from New England voted for its submission.

The star of Jefferson, however, was then in the ascendancy. He was at the zenith of his popularity; a candidate for re-election and the presidential election was approaching. The States acted rapidly and by the latter part of July, 1804, it had been ratified by 13 States. Connecticut, Delaware, and Massachusetts, declaring it "unwise, impolitic, and unconstitutional," rejected it. New Hampshire's Legislature ratified, but the governor vetoed it, thus raising for the first time the question of whether the governors had any function to perform. It was academic, however, in view of the fact that without New Hampshire three-fourths had acted favorably.

It was declared in force by proclamation of the Secretary of State September 25, 1804.

I have said that the method provided for the presidential election has been called "the great failure of the Constitution."

It is rather remarkable that it was so from the very beginning. That is to say the electors never did function as the framers of the instrument had in mind. They believed that the electors would meet without instructions or restrictions and after consultation together make selection. It has never been so. All knew in advance, of course, that Washington was to be the first President, and from that time forth practically every presidential elector has been chosen with full knowledge on the part of the authority choosing him as to whom he would support.

#### TWO OTHER UNACCEPTED PROPOSALS

It was 61 years before another amendment was adopted, but during that period from 1804 to 1865 some 400 proposals were made in the form of resolutions introduced in Congress and suggestions contained in the actions of State legislatures. Of course, many of those were duplicates and repetitions, but nevertheless they covered a wide range of subjects, sufficient indeed, had they been adopted, to have almost completely remade the document.

Two proposals out of the 400 met with the favor of Congress and were submitted. Perhaps as a matter of history they are interesting enough to mention.

In 1810, at the second session of the Eleventh Congress, by a vote of 26 to 1 in the Senate and 87 to 3 in the House, there was passed a resolution to amend the Constitution so as to provide:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall without the consent of Congress accept and retain any present, pension, office, or emolument of any kind whatever from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them or either of them.

This amendment was ratified by 12 States and received the approval of the Senate of South Carolina, but it was not acted upon by the House. Had that State ratified, it would have been the law. There is nothing in the debates about it to indicate what caused its suggestion, nor does contemporary literature shed any light upon the question.

It was thought for a time, Ames tells us in his work on Proposed Amendments to the Constitution, that it had been ratified, and it appears in the official edition of the Constitution proposed for the use of the House of Representatives of the Fifteenth Congress as the thirteenth amendment. He states that the misconception was perpetuated for over a third of a century in editions of the Constitution and school histories.

The second amendment to be submitted in this period was what is known as the Corwin amendment, designed to prohibit any amendment abolishing slavery.

When the Thirty-sixth Congress convened for its second session in December, 1860, the clouds of the war of secession were easily discernible and alarm was universal. President Buchanan in his message recommended the submission of some constitutional amendments in the hope that they might avert civil strife. The House of Representatives created a special committee of 33 on conciliation. Of this Mr. Corwin, of Ohio, was made chairman. This committee, after long consideration, agreed upon a report which embodied measures intended to be conciliatory in character. These were the subject of animated, indeed, intensely angry, debate.



One part of the report was a proposed amendment to the Constitution which would forever make it impossible for Congress to interfere with slavery in the States. Mr. Corwin offered a substitute for the committee proposal. It was at first rejected in the House, but upon a reconsideration received the required two-thirds, the vote being—ayes 133, noes 65. In the Senate it received exactly the required two-thirds, the vote being 24 to 12, and so it went to the legislatures on March 12, 1861, two days before the end of the session, in the following words:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws thereof.

This proposed amendment did not meet the demands of the extreme proslavery advocates; they demanded not only that slavery be not interfered with in the States where it existed but insisted upon the right of its extension. It was the law then that Congress could not interfere with the institution in the States where it existed. The Corwin amendment, however, was not as Doctor Ames, in the work heretofore referred to, declares "comparatively colorless."

It did, indeed, propose a profound change. Its acceptance would have added to the organic law another provision which, like that of equal suffrage in the Senate, could have been changed only by consent of all the States.

The Legislatures of Ohio and Maryland ratified this amendment, the former on May 13, 1861, about one month, by the way, after Fort Sumter had been fired upon, and the latter on January 10, 1862.

There is no record of any action by any other State legislatures, but there was a singular occurrence in the State of Illinois concerning it. In that State in the spring of 1862 a State constitutional convention was held. Its work seems to have been fruitless, as the instrument which it formulated was never adopted. That State appears to have gotten along under her original constitution of 1818 until 1870, when a new one was instituted.

The convention of 1862 was called wholly to deal with the State's organic law, but it assumed to itself authority to act upon the Corwin amendment, and on April 14, 1862, just a few days after the Battle of Shiloh, they proceeded to ratify it. Protests were made by members that they had no power. It was pointed out that Congress had expressly submitted the amendment to the legislatures and that the convention in which they sat, even had it been submitted to conventions, could not legally act, because it was not called for that purpose.

They did, however, pass a resolution of assent, and that action is of interest because it is the only instance wherein a constitutional convention in any State has acted upon an amendment submitted by Congress. This was the last effort to avert the Civil War by action of the legislative branch of the Government.

This is also the last amendment submitted which has failed of ratification. There are just four proposals that have passed the Congress and gone to the legislatures that have not been adopted. Two of these, as I have shown, were submitted in the First Congress along with the 10 that were ratified; the third was in 1910 and the Corwin proposal in 1861.

Query: What is the status of these proposed amendments now? Could they be yet ratified after lying dormant these long years? Mr. Jameson does not think so and the Supreme Court practically says "no" in *Dillon v. Gloss* (256 U. S. p. 368 et seq.).

Just here is a not inappropriate place to refer to another of those "odds and ends" of history, interesting if not important.

In 1873, near the close of the Forty-second Congress, a measure was passed increasing the salaries of Members and Senators from \$5,000 to \$7,500 per annum, and the bill was made retroactive; that is, it was made to take effect from the beginning of the Congress. It aroused a veritable storm throughout the country, and at the succeeding election the bones of many statesmen were scattered abroad to bleach in the sunshine from coast to coast. Some member of the Ohio Legislature bethought himself of the long-dormant proposal, submitted by the First Congress, providing that no alteration of the existing rate of compensation should at any time take effect before the next succeeding election of Members of the House, and it was brought up in the Ohio Legislature. A committee charged with its preliminary consideration reported that they were divided in opinion on the question of the validity of a ratification after so great a lapse of time, and the matter was finally dropped.

Another interesting matter in connection with the Corwin amendment is that in February, 1864, three years after its submission, Senator Anthony, of Rhode Island, introduced a resolution in the United States Senate to repeal it. The power of Congress to take this action—the question of whether, after submission, Congress has further control—is, of course, important, but I shall not attempt to discuss it at this time.

No action was taken upon Senator Anthony's resolution. None was necessary, for the war, with its resultant emancipation proclamation, not only destroyed it but led to the thirteenth amendment, which was the direct reverse of the Corwin proposal, because it, by its terms, did the very thing which that proposal said might never be done—abolished slavery.

#### THE THIRTEENTH AMENDMENT

This amendment passed the Senate April 8, 1864. On April 9 it was messaged to the House, and from then until June 16 was from time to time elaborately debated. On that day the vote was had upon it, and it was rejected, the vote being 95 to 66. At the second session of that Congress—the thirty-eighth—however, it was reconsidered and passed by a vote of 119 to 56.

It was ratified by all the States except Delaware and Kentucky, but some did not act until after the proclamation of the Secretary of State, which was issued on December 18, 1865. Texas did not ratify until February 18, 1870.

#### THE FOURTEENTH AMENDMENT

The fourteenth amendment was debated in the House of Representatives from time to time between April 30 and May 10, 1865. It came from the Joint Committee on Reconstruction and was reported by Mr. Thaddeus Stevens, with whose name it, as well as the principle of the fifteenth, is inseparably linked. It passed the House on the latter date by a vote of 128 ayes to 37 nays. In the Senate it was considered on different days between May 27 and June 8, when it was adopted with amendments by a vote of 33 yeas to 11 nays, exactly 3 to 1. On June 13 the Senate amendment was concurred in by the House—120 yeas to 32 nays—and it went to the country.

In the consideration and action upon this amendment a new question arose to which I shall have occasion to refer later in my remarks. Two States, after ratifying and before the Secretary of State had issued the declaratory proclamation, reconsidered and withdrew their assent—New Jersey and Ohio. Oregon also reconsidered and withdrew, but it was after the proclamation. The two States so changing were essential to make the three-fourths. The Secretary, Mr. Seward, stated the facts in a proclamation on June 18, 1868. Congress thereupon took a hand and passed a concurrent resolution, saying it was all sufficient, which the Secretary accepted, and he then issued his proclamation of June 28, 1868. Three States—Virginia, Mississippi, and Texas—ratified after the proclamation. Delaware, Maryland, and Kentucky rejected it.

I have not examined the acts of Ohio and Oregon rescinding their assents, but my curiosity as to New Jersey was aroused by finding, at page 2226 of the Congressional Globe of the second session of the Fortieth Congress, where Mr. Boutwell had reported favorably from some committee a resolution introduced by Mr. Washburn declaring the New Jersey resolution of rescission to be "disrespectful to the House and scandalous in character," directing its return by the Speaker to the Member from New Jersey who presented it and providing that it should be mentioned in the Journal only by title. Mr. Boutwell moved to suspend the rules and pass it. There was quite a lively parliamentary skirmish for a few moments with arguments under the guise of parliamentary inquiries and adroit efforts to get the text in the record by having it read. These efforts were effectively blocked by the Speaker, a motion to adjourn was voted down, and the steam roller moved on with smoothness.

Being anxious to see a scandalous statute, I procured the acts of the New Jersey Legislature of that period and read it. I have it here, but it is rather long to read, and so I will just say that if any desire to examine it as a sort of historical curio it can be found in the Laws of New Jersey for 1868, page 1225.

#### THE FIFTEENTH AMENDMENT

The fifteenth amendment, providing that no State should deny the right of suffrage to any person on account of race, color, or previous condition of servitude, passed the Senate by a vote of 35 to 11 February 17, 1869. In the House there was adopted as a substitute for it a proposal of Mr. Bingham, of Ohio, on February 20. The Senate disagreed and there was a conference. The conference report was agreed to in the Senate by a vote of 39 to 13 and in the House by 145 to 44, the Speaker voting in the affirmative.



It was declared ratified in a proclamation issued by the Secretary of State on March 30, 1870.

In this case, too, a State—New York—withdraw its action of ratification before the issuance of the proclamation, but it was nevertheless included as one of those ratifying. There were three-fourths without New York.

California, Delaware, Kentucky, Maryland, Oregon, and Tennessee rejected this amendment.

#### THE LAST FOUR

Many of those now here have participated in the submission of the last four amendments. It is unnecessary to go into any elaborate statement of their history.

The sixteenth, the income-tax amendment, was proposed by the Sixty-first Congress and declared ratified by proclamation issued February 25, 1913.

The seventeenth, providing for popular election of Senators, was submitted by the Sixty-second Congress in 1912 and declared ratified May 31, 1913.

The eighteenth, the prohibition amendment, was submitted by the Sixty-fifth Congress on December 17, 1917, and was declared ratified on January 29, 1919, by 36 of the 48 States. Subsequent to the proclamation, 9 other States added their assent.

The nineteenth, the woman-suffrage amendment, was submitted by the Sixty-sixth Congress June 5, 1919, and was declared ratified August 26, 1920; 38 States ratified, 3 rejected, and there is no record of action by the others.

All four of these amendments, it will be seen, were submitted and ratified within a period of about eight years.

The child-labor amendment is now outstanding.

#### NUMBER OF PROPOSALS

In 1896 there was published as a House document a volume prepared by Dr. Herman V. Ames, then of the faculty of the University of Pennsylvania, upon "Proposed amendments to the Constitution." This article received the prize offered by the American Historical Association for the best monograph, based upon original investigations in history. It is an exceedingly valuable work. He covers the entire field of proposed amendments for the first 100 years of our national life—that is, from 1789 to 1889—and as an appendix there is published all the proposals which he was able to collate made by any official authority whether a Member of Congress or the act of a State legislature.

It will perhaps surprise those who have not investigated, as it did me when I discovered it, that within that first 100 years there were 1,736 official proposals of amendment.

I have secured from the Library of Congress a compilation of all that have been introduced since that time; that is, from 1889 up to the close of the last session of the present Congress, June 7, 1924. Of these there are 1,252.

This makes a total of 2,988 proposals of amendment.

This, of course, is by no means so formidable as a mere statement of numbers might cause one to at first think, because hundreds and hundreds of them are duplicates while other hundreds are simply repetitions of proposals made in previous Congresses, but an examination will disclose that practically every article and section and clause of the instrument has at one time or another been made the subject of proposed amendment.

#### THE PROPOSED AMENDMENT

I come now to an analysis of the amendment which I have proposed and which the Committee on the Judiciary have reported in House Resolution 68.

It is quite simple in terms and makes four changes in Article V as it now exists.

First. It makes it mandatory that at least one branch of a ratifying legislature must have been elected subsequent to the submission by the Congress of the amendment acted upon.

Second. It permits a State to require that the act of ratification by its legislature may be subject to confirmation by popular vote.

Third. It gives to a State which has ratified the right to reconsider its vote of ratification at any time before three-fourths have ratified or more than one-fourth have rejected.

Fourth. It is proposed by the use of the words "or more than one-fourth of the States have rejected or defeated" to bring the matter to an end so far as the States are concerned, and make it necessary that any amendment so rejected by more than one-fourth shall be again submitted before further action can be had.

I shall endeavor to discuss these in the order named.

The reason for the first change requiring that at least one house of a legislature which acts upon a proposed amendment must be elected subsequent to submission appears to me to be obvious. It gives an opportunity for the people to pass upon

the issue in selecting their members of the legislature. There is no way now by which such an opportunity may be compelled. Under the doctrine laid down by the Supreme Court of the United States in the case of *Hawke v. Smith*, secretary of state of Ohio (253 U. S. p. 221), provisions of a State constitution can not control the actions of a legislature in passing upon a Federal amendment. The court said:

The function of a State legislature in ratifying a proposed amendment to the Federal Constitution, like the function of Congress in proposing such amendments, is a Federal function, derived not from the people of that State but from the United States Constitution.

The State of Ohio has in its constitution a provision that—

The people also reserve to themselves the legislative power of the referendum on the action of the general assembly ratifying any proposed amendment to the Constitution of the United States.

After the Legislature of Ohio had ratified the eighteenth amendment an effort was made, in accordance with the law of Ohio, to have a referendum as provided for in the language quoted. A petition was filed for a writ of injunction seeking to restrain the secretary of state from spending public money in preparing and printing forms of ballot for use in the referendum election. It was demurred to, and the demurrer sustained by all the courts of Ohio, and the case was carried to the Supreme Court of the United States, which reversed the decision of the Ohio court and so wiped this provision from that State's organic law.

The States of Tennessee and Florida have provisions in their constitutions that no legislature may act upon an amendment to the Federal Constitution except one elected subsequent to the submission of that amendment, the very principle contained in the resolution I am proposing as regards the Federal entity.

The Governor of Tennessee, in August, 1920, called the legislature in special session, and in his call named as one of the items of business action upon the nineteenth amendment to the Federal Constitution. Thirty-five States had ratified, and favorable action by Tennessee meant that it would become a part of the basic Federal law and that the polls would be opened to the women in all the States at the November election, then just three months off.

As can readily be surmised, our State capitol was honored by one of the greatest convocations of what was certainly one of the most eminently respectable lobbies which ever assembled in America. [Laughter and applause.] Eminent legal talent was there on both sides.

The members of the legislature thus called into special session, except two or three chosen to fill vacancies, had been elected in November, 1918, seven months before Congress had submitted the nineteenth amendment.

An historic contest was waged for days. The doctrine of *Hawke* against *Smith* was invoked, and under an opinion of the distinguished attorney general of the State, and acting upon their own conceptions of the law, the resolution of ratification was passed and certified to the secretary of state, who proclaimed the ratification. And so that provision of our Constitution was wiped from our organic law.

At one pivotal stage of the proceedings there was another State constitutional question involved. Our constitution requires two-thirds to make a quorum. A number of members left the State for the purpose of breaking a quorum, and in the house the final act of ratification was by a vote of 49 to 9.

The house has 99 members, so that it requires 50 to make a majority and a constitutional quorum is 66. The speaker held, however, that the rule of the State constitution did not apply in passing upon a Federal amendment.

That this latter question would have been an interesting one for the courts and that it would have been presented there is no doubt but for the fact that it was rendered unnecessary by the subsequent action of Connecticut and Vermont in ratifying.

I believe that in some way, when the people desire it, they should have an opportunity of passing upon a modification or alteration of the Federal Constitution. It is evident that they can not find an avenue for this through any possible action by their own State machinery, and hence the provision for the election of one branch of the legislature subsequent to submission.

This offers a way for popular expression, indirect, it is true, but a way. It gives the opportunity. With this alone many States will doubtless be content, but not all. Some will wish the direct method, and hence the second proposed change, which will permit the people of a State to do what those of Ohio have declared they wish to do; that is, it gives them the right and places in their own hands the power to choose whether they will exercise the right of voting directly.



This is a power which to-day is not only permissive as regards alterations in the State charters but is mandatory, if I mistake not, in every State of the Union except Delaware.

It is not proposed to make it mandatory so far as the Federal Government is concerned, only permissive.

I may say just here that the Senate amendment as reported by their Committee on the Judiciary does make a popular vote mandatory. It reads:

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, upon the application of two-thirds of the legislatures of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes as a part of this Constitution when ratified by three-fourths of the several States, either through their conventions or through the direct vote of their people at elections to be held under the authority of the respective States, reserving also to the States, respectively, the selection of either mode of ratification and the authentication of the action taken, and until three-fourths of the States shall have ratified or more than one-fourth of the States shall have rejected a proposed amendment any State may by the same mode selected change its vote: *Provided*, That if at any time more than one-fourth of the States have rejected the proposed amendment, said rejection shall be final and further consideration thereof by the States shall cease: *Provided further*, That any amendment proposed hereunder shall be inoperative unless it shall have been ratified as an amendment to the Constitution, as provided in the Constitution, within eight years from the date of submission thereof to the States by the Congress: *Provided further*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

I do not seek to go that far. I do not seek to compel. I would give to the people the right and leave it to them to determine whether they will exercise that right.

As the situation now stands fewer than 4,000 individuals in this Nation of 110,000,000 people can, if they choose, alter every sentence and paragraph of the Constitution of the United States, except the clause as to equal suffrage in the Senate and with just a few hundred added they could change even that. Two-thirds of a majority of the House and Senate and a majority of a quorum of 48 legislatures can completely revolutionize our dual forms of government within the space of a few fleeting months and upon any efforts so to do there rest no legal restraints, either State or Federal. So far as law is concerned, either organic or statutory, the people have no means of prevention nor any method of recourse or review.

I have here a tabulation by States of the number of members composing the two houses of their respective legislatures.

I think it is true that in all save two States a majority constitute a quorum. In Tennessee, I am certain, and in Indiana, I think, the constitutions require two-thirds.

It would be a rather tedious task to figure out the exact minimum number that could change the Constitution and I have not attempted it, but it is accurate to say that it can be accomplished by fewer than 4,000 individuals.

The table is as follows:

State legislatures

	House	Senate
Alabama.....	106	35
Arizona.....	35	19
Arkansas.....	100	35
California.....	80	40
Colorado.....	65	36
Connecticut.....	258	35
Delaware.....	35	17
Florida.....	75	32
Georgia.....	193	51
Idaho.....	54	44
Illinois.....	153	61
Indiana.....	100	50
Iowa.....	108	50
Kansas.....	125	40
Kentucky.....	100	38
Louisiana.....	101	39
Maine.....	151	31
Maryland.....	102	37
Massachusetts.....	240	40
Michigan.....	100	32
Minnesota.....	131	67
Mississippi.....	140	42
Missouri.....	142	34
Montana.....	107	54
Nebraska.....	100	33
Nevada.....	37	17
New Hampshire.....	422	24
New Jersey.....	60	21
New Mexico.....	49	24
New York.....	150	51
North Carolina.....	120	50
North Dakota.....	113	49
Ohio.....	125	37

State legislatures—Continued

	House	Senate
Oklahoma.....	92	34
Oregon.....	60	30
Pennsylvania.....	208	50
Rhode Island.....	100	39
South Carolina.....	124	44
South Dakota.....	61	42
Tennessee.....	99	33
Texas.....	150	31
Utah.....	55	20
Vermont.....	246	30
Virginia.....	100	40
Washington.....	97	42
West Virginia.....	94	30
Wisconsin.....	100	33
Wyoming.....	54	25

In the aggregate there are 5,622 members of the several houses of representatives and 1,778 members of the several senates of the 48 States. There are now 435 Members of the United States House of Representatives and 96 Senators.

We can not, however, by taking two-thirds of the aggregate Congress and a majority of three-fourths of the aggregate number of State legislatures determine just how many individuals can bring about an amendment, since the numbers in the different States vary so greatly.

The third proposition or change is that which gives a State that has ratified a chance to reconsider, provided it be done before its action in conjunction with that of others has become law.

A State which has said "no" may now change and say "yes." What can be the injustice in permitting a corollary whereby it may, within reasonable time limits, change from "yes" to "no"?

The question of the right of a State to reconsider its action upon amendment has been the subject of much profound discussion. It has never been specifically passed upon by the Supreme Court. In the case of the fourteenth amendment three States—New Jersey, Ohio, and Oregon—after having ratified subsequently reconsidered and withdrew their consent. The two first did this before the proclamation of the Secretary of State issued July 18, and he issued a statement reciting the facts and declaring that it had been ratified provided these States were to be counted, notwithstanding their reconsideration. Congress immediately passed a concurrent resolution declaring the ratification valid and sufficient, and so on July 28 Secretary Seward, accepting the dictum of Congress, issued a second proclamation declaring it a part of the organic law. It is for this reason, among others, that many lawyers have taken the position that the fourteenth amendment was never legally ratified.

New York, in the case of the fifteenth amendment, ratified on April 14, 1869, but on January 5, 1870, passed resolutions withdrawing consent. This was before the Secretary of State had issued the proclamation, but New York was nevertheless included therein as one of the ratifying States. There were three-fourths without New York, however, and so her action was of no legal moment.

On the other hand, there are several instances where States reconsidered acts of rejection of the thirteenth, fourteenth, and fifteenth amendments and ratified, and concerning these actions reconsidering negation no question apparently was ever made by the Secretary of State, or, so far as I know, by the Congress.

In practice, therefore, it may be said—and I think it is generally regarded to be—the law that a State may reconsider and change a rejection, but may not reconsider and change a ratification.

Jameson, in his work on constitutional law, in reasoning upon the proposition says, in substance, that this is true because the amendment is submitted for consideration; that after ratification the legislature has lost control. It has passed from its forum, so to speak. But the act of rejection does not have a similar effect. It does not put it beyond their reach if they choose to reach again.

I believe and undertake to maintain that there is no more reason in governmental ethics why an affirmative act should not have the right of reconsideration than a negative prior to the time when the affirmative act actually makes law, and hence the third proposed change.

As for the fourth proposition which would make rejection by more than one-fourth final and require another submission before further action, it seems to me to be justified upon considerations of wise public policy. The people are entitled to have a reasonable end to an issue. They are entitled to be



able to know that a question of proposed organic law is settled for a time at least and with the power of resubmission by the Congress left untouched no harm can come, but upon the other hand it will, I think, promote better feelings of tranquility and peaceful progress.

The eighteenth amendment is the only one ever submitted which carried in a resolution of Congress a time within which it must be ratified. The power of Congress to fix a time limit was questioned in the Supreme Court and was expressly upheld by that tribunal in the case of *Dillon v. Gloss* (256 U. S. p. 368) wherein the court said:

1. Article V of the Constitution implies that amendments submitted thereunder must be ratified, if at all, within some reasonable time after their proposal. (Pp. 371, 374.)
2. Under this article, Congress, in proposing an amendment, may fix a reasonable time for ratification. (P. 375.)
3. The period of seven years, fixed by Congress in the resolution proposing the eighteenth amendment, was reasonable. (P. 376.)

Mr. Chairman, it has been suggested that this amendment, if adopted, will render it more difficult hereafter to amend the Constitution of the United States. I desire here and now to declare that such is not the underlying motive or fundamental purpose of its introduction, nor is it necessarily a logical or proximate result. The desire is to render it more certain than is now the case that amendments adopted in the future shall be truly representative of the wishes of the majority of the people of the States. [Applause.] It does assure, at least, the opportunity for popular study of and deliberate expression upon proposed amendments. I think he would be an unwise man who would take the position that the Constitution has reached such a state of perfection through the progress of the years as that there will never again be occasion to amend it.

The framers of the original document, certainly as profound a body of statesmen as ever assembled together upon the earth, realized their own limitations and appreciated that it must not be made unchangeable law. Their prophetic visions saw clearly that in the shifting processes of human thought and progress and development changes, many of them deep and elemental, must come; that if they could not come through peaceful and orderly methods they nevertheless would come, even though it meant revolution, war, bloodletting. And so with discriminating and superb statesmanship they inserted in the instrument itself a method for its peaceful alteration.

Assuredly we would not assume to ourselves a wisdom superior to theirs and, directly or indirectly, render the Constitution static.

We would not emulate the example contained in the efforts of the Medes and Persians, but we have the right and, to my mind, it is our duty to meet the changed conditions and the altered psychology of our State and national life wrought by near a century and a half of vicissitude and experience, of education and evolution.

I am rather of opinion that there are some amendments now a part of the organic law—and I say this wholly without reference to my own convictions of their merits, because that is immaterial—which would never had been adopted had there been an opportunity for popular expression. I believe the Constitution has been amended by minorities and that in it are to be found some expressions of minority rather than majority sentiment, notwithstanding the, to some minds, extreme provisions that three-fourths of the States must affirmatively act.

The original Constitution was ratified by conventions held in the States. It was so submitted by the Congress of the Confederacy. The delegates to those conventions were, I think, in all instances chosen by vote of the qualified electors. They were representative bodies, and may be assumed, generally speaking, to have embodied the popular will in their acts.

I would not compel every amendment to be treated as was the original document, but I would give to the people of any State the opportunity to have a voice if they so desire. I do not fear them. The more I read of the history of my country the more I am convinced that popular Government, among a people of our blood and race, is the nearest approach to ideal Government, in its safety, its perpetuity, its beneficence which the mind of man has yet conceived. [Applause.]

It has been suggested often that the end sought in this amendment—that of giving opportunity for popular expression—can be attained by changing the policy of submission to legislatures and adopting the alternative of submitting amendments to conventions to be chosen by the people of the respective States.

Theoretically this is true, but, Mr. Chairman, while possible it is really impracticable so to do. Probably, with this question

at least, sufficient proof of the impracticability of the convention method is found in the fact that Congress has never seen fit to utilize it. It needs but a thought to bring us to a realization of how cumbersome this method would be in its practical application and of the innumerable perplexing questions that would arise. For instance, what is a convention as contemplated in the Constitution? The word "legislatures" had a well-defined meaning to the minds of the framers and that has been unchanged. I assume the word "convention" had also at that time, but what does it mean to-day? How shall it be chosen? Can Congress provide the method? What shall be the basis of representation? When and under what authority shall its details be worked out? Shall it be had upon every proposal without reference to its relative importance? Who is to determine this question of relative importance? One might proceed indefinitely with puzzling interrogatories.

The amendment proposed in House Resolution 68 is in no sense radical or revolutionary. Did I think it so I would not propose it. I am not ashamed to declare that in temperament and in conviction I am conservative; not ultra, and static, I trust, for I stand ready to recognize changing conditions and meet them with essential and proper law, but I frankly confess, or I prefer to say, unreservedly avow, that I have not yet reached a stage of either intellectual or moral intrepidity which renders me willing to embark in just any vessel without rudder or compass upon uncharted seas. [Applause.]

I see nothing of either an economic or social character in the condition of society as it exists to-day which renders this necessary to either human happiness or individual security.

I believe in the deep things that find expression in the Constitution of my country. I know that it brought into existence the most unique scheme of Government ever devised by the genius of man for men, and, I think, the greatest.

The very theory which was wrought into its web and woof by the master weavers of that glorious era was different from that which had been the warp of all other confederations.

All history is filled with tales of alliances and leagues of covenants and confederations between sovereign states, and all history is cluttered with their wrecks.

Through the dim and mystic corridors of the ages there swarm and stroll the silent ghosts of long-expired confederacies, "the hollow wraiths of dying fame."

The inherent weakness of these systems as a rule lay in the fact that the general government formed under them or by them was not a coalition of their peoples but a mere combination of their States. That was the very germ of the weakness of the American Confederation proposed in 1776 and adopted finally by the last State—Maryland—in January, 1781.

The Constitution builders did a new thing in the world. They evolved a plan which has no precedent in history and which probably will have no counterpart in ultimate destiny.

They created a new governmental entity which was at once a confederacy and a nation. It draws its powers, holds its authority not from the States, as States, but from the people of the States; its perpetuity, so far as the provisions of the Constitution control, depends not upon the whim, the caprice, or even the intelligent will of the States, as States, but upon the wish and wisdom of the people of the States; its functions are exerted and powers are exercised not only upon the States, as States, but upon the people of the States.

There is deep significance in the terse and powerful language of the tenth amendment:

The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States, respectively, or to the people.

This is true because the Constitution while creating a nation yet left to the States, the integrals or units composing it, not a mere modicum but a vast quantum of sovereign powers, and guaranteed them against either foreign or domestic aggression or interference in their exercise.

This was the first of the things that made the scheme worked out in the Philadelphia convention, under the eye of Washington, the immortal, unique in the annals of mankind.

The other was the nicety with which the powers of the General Government created were distributed and balanced between and among the three departments created—the legislative, the executive, and the judicial.

These two things constitute at once its uniqueness and its greatness and are the mudsills of its grandeur and sublimity, and these assuredly I am unwilling to lay hands upon to alter. To me that would be a profanation.

There exists to-day, as strongly as there existed 138 years ago, the necessity for maintaining the independence, each of



the other, of the great departments through which the national authority finds concrete expression. There exists to-day as strongly as there existed then the necessity for keeping governmental functions divided between the Nation and the States, and in general, I think, the sound rule of action may be found in the policy of leaving all powers that can be as well exercised through State agency to be there exerted, and extending the arm of the Federal Government only to those things and themes which the States can not—I do not mean will not; I mean can not—reach.

I see no reason why any person imbued with the real spirit of constitutional government and devoted to the principle of majority rule—which after all is the very bedrock of peace, order, security, and perpetuity—may not support this amendment. I think I see every reason why they should.

Those of us who propose it and urge it are certainly not of the revolutionary or radical type. We are not of those who would with ruthless roughness and contemptuous impatience kick the Constitution from our pathway or tread it into the dust beneath our feet.

We revere it as the preserver and the hope of human freedom. In it the great civic heroes of the past crystallized the rights which had been bought with patriot blood; in it they gave to liberty for all time "a local habitation and a name." We think of it, sir, with unstinted emotions of gratitude and thanksgiving as having been, in sunshine and in storm, the sheet anchor of our past—our past with its hectic passions and its exalted powers; we recognize it to be the shelter of our present—our present with its prayer and its praise; we hold fast to the faith that it is to be the shield of our future—our future with its dreads and its dreams.

It is strange, Mr. Chairman, but it is true that almost every step which has been taken toward human liberty, apparently the natural state of man, has been taken upon and over the pulseless forms of battle-slain dead, and blood-stained flags are almost the only symbols that signal across the ages the accomplishment of fundamental governmental things.

To this latter our Constitution was the greatest and most notable exception. War, indeed, opened the way for its creation and acceptance, but it itself came into being through orderly and peaceful processes. It was a revolution of peace.

The amendment does not propose to stir or agitate the depths of its pure, clean waters. Upon the direct contrary, the compelling impulse which has presented it is to render them more secure in placidity and serenity. It is for this reason that I earnestly invite my colleagues to its study in the hope that they may see eye to eye with those of us who so strongly believe in its submission and adoption. [Applause.]

Mr. SHREVE. Mr. Chairman and gentlemen of the committee, before discussing the various measures and items of appropriations in this bill, I desire to express my appreciation of the interest and cordial support that we have had from both sides of the aisle. I refer to the action of my committee.

Not only in the appropriation for the Department of State, but in those for the Departments of Justice, Commerce, and Labor. There are some items in this bill that are considerably involved, and I will say to you, gentlemen, that it required straight thinking. We submit to you the bill to-day as the result of several weeks of investigation. We trust that you will approve of our action.

There is recommended in the bill now before the House for the fiscal year 1926 for the Departments of State and Justice and the Judiciary, and the Departments of Commerce and Labor, a total of \$71,598,123.77.

This is \$1,817,490.49 less than the 1925 appropriation. It is \$367,985 less than the Budget estimates. In considering the reduction mentioned under the current law, however, the following facts should be borne in mind: There was appropriated for 1925, for the Department of Commerce, \$3,500,000, for the purpose of making an agricultural census, which is made every five years. Naturally, this was not carried for 1926. In order to arrive at a comparable basis of figures, therefore, this \$3,500,000 should be deducted from the total of the current appropriation. When this is done it will be seen that there really has been an increase in the total recommendations over the current appropriations of over \$1,000,000, mainly reflected in the Departments of Justice and Commerce. I shall refer to this at greater length when discussing each department separately.

The following statement shows the appropriations for 1925 and the Budget estimates and the committee's recommendations for 1926:

Department	Appropriations for 1925	Budget estimates for 1926	Amounts recommended in the bill for 1926	Increase (+) or decrease (—), bill compared with 1925 appropriations	Increase (+) or decrease (—), bill compared with 1926 Budget estimates
State.....	\$16,238,756.29	\$15,999,512.77	\$16,011,512.77	—\$227,243.52	+\$12,000.00
Justice.....	22,680,956.50	24,917,822.00	24,205,822.00	+1,524,865.50	—712,000.00
Commerce.....	25,844,555.00	22,738,514.00	22,778,164.00	—3,066,391.00	+39,650.00
Labor.....	8,651,346.47	8,310,260.00	8,002,625.00	—48,721.47	+292,365.00
Total.....	73,415,614.26	71,966,108.77	71,598,123.77	—1,817,490.49	—367,985.00

<sup>1</sup> This reduction is caused by the exclusion of \$3,500,000 for an agricultural census, taken every five years, carried in the current appropriation. When this is considered it really shows an increase for 1926 of about \$400,000.

#### SALARIES UNDER THE CLASSIFICATION ACT

The committee, in reporting the Interior Department appropriation bill, adopted a uniform provision to be carried in all of the regular annual appropriation bills reported from the committee this session relating to expenditures for personal services in the District of Columbia in accordance with the classification act of 1923. This restrictive limitation was carried in the annual supply bills for the current fiscal year and is recommended to be continued for 1926, with several modifications made necessary by rulings of the Comptroller General of the United States.

#### DEPARTMENT OF STATE

The total of the estimates of regular annual appropriations for the fiscal year 1926 submitted in the Budget for consideration in connection with the Department of State is \$15,999,512.77.

The total of the regular annual appropriations which have been made for the fiscal year 1925 is \$16,238,756.29, made up as follows:

Regular annual.....	\$15,001,646.29
Second deficiency act.....	1,231,530.00
Field-service classification.....	5,580.00
Total.....	16,238,756.29

The committee's recommendations for the regular annual appropriations for the Department of State for the fiscal year ending June 30, 1926, are \$16,011,512.77. This is \$227,243.52 less than the 1925 appropriations and \$12,000 more than the Budget estimates. The committee's recommendations as com-

pared to the 1925 appropriations for the Department of State remain substantially the same, with the following exceptions:

For contingent expenses the committee has recommended \$43,605, which is \$5,000 in excess of the Budget estimates. The original laws, proclamations, treaties, and Executive orders of the United States, and so forth, are at present filed in old-fashioned metal cases in a room in the sub-basement of the State Department and are subject to serious injury. This additional \$5,000 has been allowed to enable the department to fit up a room in which these important documents may be safely preserved in steel cases and on steel shelves.

#### PASSPORT BUREAUS

For passport bureaus there is carried in the accompanying bill \$63,698, the Budget estimate, which is \$10,668 more than the 1925 appropriation. This increase is for the establishment of a passport bureau at Boston, Mass.

The committee is of the opinion that a passport bureau at Boston would facilitate the obtaining of passports. It is also of the opinion that the office at this port would return to the Treasury in the way of execution fees the amount necessary for its maintenance.

We have recommended a slight increase in the salaries of clerks at embassies and legations. It amounts to only \$5,000, and it is particularly applicable to China, for the purpose of giving much-needed clerical help.

I desire to say that the enactment of the Rogers Act has very much simplified the making of appropriations for the foreign service.

The act of May 24, 1924 (known as the Rogers Act), for the reorganization and improvement of the foreign service of the United States provides:

That hereafter the Diplomatic and Consular Service of the United States shall be known as the Foreign Service of the United States, and that the official designation "foreign-service officer" as employed throughout this act shall be deemed to denote permanent officers in the foreign service below the grade of minister, all of whom are subject to promotion on merit, and who may be assigned to duty in either the diplomatic or consular branch of the foreign service at the discretion of the President.

To carry out the provisions of this act, the following appropriations, which were carried in the law of 1925, have been wholly discontinued:

Secretaries in the Diplomatic Service;  
Salaries of the Consular Service;  
Salaries of consular assistants; and  
Interpreters to embassies and legations, \$22,500, covering the salaries of 15 student interpreters.

The estimate for "Salaries of foreign-service officers" takes the place of all these discontinued funds and provides for the

salaries of the foreign-service officers. By the same act mentioned above the following classification of foreign-service officers and salaries was established and the proportion of certain grades to the total number of officers in the service permitted:

Class 1, 6 per cent.....	\$9,000
Class 2, 7 per cent.....	8,000
Class 3, 8 per cent.....	7,000
Class 4, 9 per cent.....	6,000
Class 5, 10 per cent.....	5,000
Class 6, 14 per cent.....	4,500
Class 7.....	4,000
Class 8.....	3,500
Class 9.....	3,000
Unclassified.....	3,000-1,500

The appropriations for foreign-service officers for 1925, exclusive of any sums allotted from the fund for post allowances, aggregate \$2,882,299, and the amount recommended for 1926 is \$2,911,000, the Budget estimate. This will provide for 642 foreign-service officers for 1926, the same number employed during the present fiscal year.

The following statement shows the number of officers and their salaries for 1924, under the old rating prior to the enactment of the Rogers Act, and the same information for 1925, and the estimate for 1926 after the Rogers Act went into effect:

Comparative statement, foreign-service officers

Foreign-service officers after reorganizing							Former Diplomatic and Consular Service, salaries prior to reorganization			
Title	Proposed expenditure, 1926			Proposed expenditure, 1925			Title	Number	Rate	Amount
	Number	Rate	Amount	Number	Rate	Amount				
Foreign-service officers:										
Class 1.....	1	\$12,000	\$12,000	1	\$12,000	\$12,000	Consul general.....	2	\$12,000	\$24,000
Do.....	28	9,000	252,000	28	9,000	252,000	Counselor of embassy.....	13	4,000	52,000
Class 2.....	19	8,000	152,000	19	8,000	152,000	Consul general.....	15	8,000	120,000
Class 3.....	50	7,000	350,000	44	7,000	308,000	Counselor of legation.....	3	4,000	12,000
Class 4.....	53	6,000	318,000	54	6,000	324,000	Consul general.....	16	6,000	96,000
Class 5.....	63	5,000	315,000	60	5,000	300,000	First secretary.....	8	4,000	32,000
Class 6.....	81	4,500	364,500	85	4,500	382,500	Consul general.....	22	5,500	121,000
Class 7.....	99	4,000	396,000	90	4,000	360,000	Consul.....	21	5,000	105,000
Class 8.....	105	3,500	367,500	112	3,500	392,000	First secretary.....	34	4,000	136,000
Class 9.....	7	3,000	21,000	4	3,000	12,000	Consul.....	20	5,000	100,000
Unclassified.....	41	3,000	123,000	37	3,000	111,000	Language secretary.....	3	6,000	18,000
Do.....	30	2,750	82,500	30	2,750	82,500	Second secretary.....	2	3,625	7,250
Do.....	60	2,500	150,000	73	2,500	182,500	Consul.....	62	4,500	279,000
Do.....	5	1,500	7,500	5	1,500	7,500	Second secretary.....	34	3,625	123,250
							Assistant language secretary.....	3	4,000	12,000
							Consul.....	49	4,000	196,000
							Third secretary.....	3	3,000	9,000
							Consul.....	89	3,500	311,500
							Third secretary.....	27	3,000	81,000
							Consul.....	92	3,000	276,000
							do.....	7	3,000	21,000
							Vice consul, class 1.....	35	3,000	105,000
							Interpreter, class 1.....	2	3,000	6,000
							Vice consul, class 2.....	30	2,750	82,500
							Vice consul, class 3.....	41	2,500	102,500
							Interpreter, class 2.....	7	2,500	17,500
							Consular assistants.....	2	2,000	4,000
							do.....	2	1,800	3,600
							do.....	8	1,650	3,300
							do.....	3	1,500	4,500
							Student interpreter.....	15	1,500	22,500

You will recall that Congress in a deficiency bill appropriated \$500,000 for the purpose of enabling the Department of State to aid in enforcing abroad the provisions of the last immigration law. Up to the time the representatives of the Department of State appeared before our committee they had expended \$434,000. We have allowed them for 1926 \$450,000, which we felt would be sufficient to carry them through another year.

Another instance in which an increase has been made is that of the Pan American Union, an increase of about \$7,231. This comes about by reason of the fact that there has been an increase in the assessments. The finance committee of the Pan American Union found itself in a position where it needed more money to cover this expense for 1926, and in order to raise this revenue they decided to increase the assessments. You will all remember that the Pan American Union is composed of the 21 American Republics. Each of these Republics is contributing its share toward the maintenance and upkeep of the Pan American Union, based upon assessing the member countries according to their population. The assessment heretofore has been \$981.88 per million population. The new ratio fixed has been placed at \$1,000 per million population and the population figures of all countries have been brought up to date. Our contribution has been based on 107,000,000 people,

amounting to \$107,231.48, and including the printing item amounts to \$127,231.48.

Mr. HUDSPETH. Would it be in order to ask the gentleman a question now?

Mr. SHREVE. Yes.

Mr. HUDSPETH. On page 8 of the bill I find, under immigration of aliens, that the sum of \$450,000 has been appropriated. I want to ask the chairman of the subcommittee whether that includes the payment of the expenses of the border patrol?

Mr. SHREVE. No. This is a matter that comes entirely within the Department of State. This is money which we have appropriated for the purpose of putting the act recently passed by Congress into operation through our Consular Service, and it has nothing to do with the border patrol.

Mr. HUDSPETH. What is the sum carried in the bill for the border patrol?

Mr. SHREVE. I shall be very pleased to discuss that at length when I come to it. The appropriation about which I am talking now is to enable the State Department to enforce the immigration act abroad. The appropriation the gentleman has in mind is carried under the Department of Labor in this bill, under the Bureau of Immigration. Our recommendation



for the Bureau of Immigration is over \$5,000,000, including \$1,000,000 for the land border patrol.

Mr. HUDSPETH. I am glad to know that. I want to say to the gentleman that under the appropriation made the force on the Mexican border has been increased and the statement of the Immigration Department is that it is a very effective force and is keeping out undesirable aliens who try to get into the United States by way of Mexico.

Mr. SHREVE. We fully realize the great importance of this work and we believe it should be continued. We also believe it should be augmented from time to time, and I wish to say to the gentleman that the committee has been very liberal in its treatment of this service.

Mr. HUDSPETH. I commend the gentleman for that. I think the entire House appreciates the importance of this border patrol, especially to the people who live on the border. They have seen the abuses of the past because of the lack of a sufficient force.

Mr. OLIVER of Alabama. I will say to the gentleman, who, I believe, is a member of the legislative committee, that I am sure the gentleman from Pennsylvania recognizes that his committee has been of very great service to us in reaching conclusions relative to this matter. There has been the heartiest cooperation between the legislative committee and the appropriating committee in regard to this matter.

Mr. SHREVE. It is very pleasing to me to agree with the statement made by the gentleman from Alabama. There should be an intimate association between the legislative committees and the appropriating committee, so that legislation may be worked out in advance. There are frequently times when we find an appropriation that should be made to meet a particular condition, but we find ourselves in the position of not being able to legislate. Our committee is an appropriating committee, and we refrain from legislating.

Mr. HUDSPETH. Let me say that the gentleman referred to by the gentleman from Alabama is my colleague from Texas [Mr. Box]. I am not a member of the Committee on Immigration, which is the legislative committee.

Mr. SHREVE. The next item I wish to bring to the attention of the House is the International Institute of Agriculture, at Rome. There has also been an increase in that item from \$29,577 to \$54,340. You will recall that formerly we only had a voting strength in this institute of about five members. However, during the last year Congress has authorized the United States to bring into the membership of the institute its insular possessions—the Territory of Hawaii, the Philippine Islands, Porto Rico, and the Virgin Islands. So that we have raised our representation and our voting strength in the agricultural institute to 21; and, incidentally, the increase in our voting strength has carried with it an increase in our share of the expense of the upkeep of this institute. I might say that this institute is composed of about 64 countries, and the principal function of the agricultural institute is to gather information concerning growing crops and the world supply and demand of staples of food and to disseminate reliable data to the uttermost parts of the world. By this service crops may be planned intelligently the world over to supply world needs. Let me give you a practical illustration:

A couple of years ago there was a tornado in the southern part of Sicily and the lemon crop there was totally destroyed. Along in the morning sometime this information was telephoned to Rome; Rome immediately sent it by wire to Paris; and there, over our own radio, it was sent across the ocean to Washington and then again broadcasted to California, so that by 4 o'clock in the afternoon the California lemon growers knew that there had been a tornado in Sicily which had destroyed their crop—and that information was worth while to them. This shows how this institute operates. Information of this sort in order to be worth anything must be prompt and on time.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. CONNALLY of Texas. Does this appropriation for the International Institute of Agriculture at Rome cover the expenses of delegates to attend their meetings?

Mr. SHREVE. Yes; the expense is very light. There is one man who draws a salary of \$5,000, and I think that is about all.

Mr. CONNALLY of Texas. I am speaking about the expenses of our delegates back and forth.

Mr. SHREVE. My understanding is that it does cover that.

Mr. CONNALLY of Texas. The statement of the gentleman is very interesting about the storm in Sicily, but does the gentleman know whether that information was in the morning

papers the following morning? Was not that information carried all over the United States?

Mr. SHREVE. I presume it was.

I wish to bring to your attention also our recommendation for the General and Special Claims Commission, United States and Mexico. These two commissions are virtually two commissions operating as one. One is established under the old act of 1868, which is to make amicable settlements and adjustments of general claims by citizens of each country against the other; and the other is a special commission for making amicable adjustments of claims arising from loss or damage suffered by American citizens through revolutionary acts between the period of November 20, 1910, and May 31, 1920. We have appropriated \$275,000, and made \$100,000 of it immediately available, for the purpose of carrying on this work.

#### INTERNATIONAL STATISTICAL INSTITUTE AT THE HAGUE

This is a very unique institution, and calls upon the United States for the contribution of \$2,000. By act of April 28, 1924, Congress authorized the Government to accept membership in the international institute and contribute \$2,000 toward the support of the bureau.

Mr. WATSON. Will the gentleman yield?

Mr. SHREVE. I yield.

Mr. WATSON. Since the establishment of the International Court of Justice, I am informed by the secretary at The Hague, that there has not been a case brought before the International Court of Arbitration. What part of the \$2,000 relates to the appropriations of other countries to support the Court of Arbitration?

Mr. SHREVE. This is purely an international statistical institute.

Mr. WATSON. I thought the gentleman spoke of the International Board of Arbitration?

Mr. SHREVE. No; I have not spoken of that yet.

This International Statistical Institute was established in 1885 at the jubilee meeting of the Statistical Society of London, now the Royal Statistical Society. It is a purely voluntary association, and its object is the promotion of statistics in both their scientific and practical aspects. The institute selected members from among the citizens of various countries who have distinguished themselves in the field of statistics in the service of their government or in private life.

Mr. WATSON. That includes statistics then in all things.

Mr. SHREVE. In all things. The number of regular members is limited. The number is limited to 200 and the number of honorary members to 20, and no one State is to have more than one-fifth of the elected members.

For the International Fisheries Commission we have authorized \$15,000 to take care of the expenses and salary of two members of the commission. The commission is composed of four members. It was created for the purpose of making a study of the halibut fisheries along the Pacific coast.

#### DEPARTMENT OF JUSTICE

The total of the estimates submitted in the Budget for the fiscal year 1926 are \$24,917,822, made up as follows:

Department of Justice proper	\$5,422,400
Judicial	15,662,212
Penal institutions	3,833,210
Total	24,917,822

The total of the annual appropriations which have been made for the fiscal year 1925 are \$22,680,956.50, made up as follows:

Department of Justice proper	\$4,225,681.00
Judicial	14,884,655.00
Penal institutions	3,570,620.50
Total	22,680,956.50

The Budget estimates for 1926, therefore, were \$2,236,865.50 over the appropriations for 1925.

The committee has recommended to be appropriated for 1926 \$24,205,822, made up as follows:

Department of Justice proper	\$4,697,400
Judicial	15,672,212
Penal institutions	3,836,210
Total	24,205,822

The committee's recommendations for 1926 are \$712,000 less than the Budget estimates. They are \$1,524,865.50 more than the 1925 appropriations.

The individual appropriations, estimates, and recommendations for the Department of Justice will be found on pages 26 to 30 of this report. The accompanying bill is practically similar to the current law with the following exceptions:



## THE ATTORNEY GENERAL'S OFFICE

There was appropriated for 1925 for salaries under the Attorney General's office, \$584,040. There is recommended in this bill \$580,000, which represents a reduction of \$4,040.

The next item is for contingent expenses, \$63,000, which is an increase of \$4,713 over the current appropriation, and we have also included some language in this item so that they may exchange an old automobile for a new one.

For printing and binding the bill carries \$225,000, which is an increase over the current appropriation of \$25,000. This increase has been made necessary because of the printing of the records of the Supreme Court, the rebinding of books, and so forth.

Mr. STENGLE. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. STENGLE. The gentleman has just started on the Department of Justice, and I take it that the personnel service of the various departments under your supervision will come along later?

Mr. SHREVE. They are all classified according to the classification act, and our appropriations for salaries are made in lump sums and are made as required by that act.

Mr. STENGLE. May I inquire whether your investigations and hearings will reveal any violations of the spirit of the classification act of 1923 in allocations and fixations?

Mr. SHREVE. No. There is nothing in the hearings that will indicate there is any serious fault or dissatisfaction found with the reclassification.

Mr. STENGLE. On the contrary, I have letters in my office from both the State and Commerce Departments pointing out the very things I questioned you about.

Mr. SHREVE. Then I shall be very glad to have the information.

Gentlemen, I now come to the appropriation for the war-frauds section, and in this connection I desire briefly to call your attention to some things that were said by our Attorney General, Mr. Stone. Mr. Stone had made a very careful survey of the war-fraud situation. He came before our committee with a very frank statement, and I am willing to confess that he impressed us with the logic of his argument.

His talk ran to this effect, and will be found on page 5 of the hearings. I shall not attempt to read it all. He says:

I asked two of the heads of the particular sections there, whom I had appointed, Messrs. Andrews and Michael, to act as joint directors of the whole organization and together do the work which I originally thought of placing in the hands of a single director. That, in my judgment, has turned out very satisfactorily. There has been a very complete reorganization there, and I think we have a very efficient working body of lawyers and accountants looking after the work of the section.

The Budget for this year, recommended by the department and approved by the bureau, has been constructed on the theory that either one of two things ought to be done: Either we ought to be doing a great deal less there or we ought to be doing a great deal more in the way of speeding up and disposing of the accumulated business which has been developed there as a result of the examination of war contracts. There are some 700 contracts requiring prompt attention, beyond those that are actually in litigation or in the course of preparation for litigation.

This is the attitude of the Attorney General. Under the old régime the work of the section was divided into about four units. Each one of these units was working in its own way, without any coordinating or cooperation with various other units. As a result oftentimes it was found that certain litigation would involve certain legal principles when over in the next unit they were on the same subject. Instead of coordination of work they were working along different lines. I know the Attorney General felt that these matters should be brought together, so he placed these two young men, Andrews and Michael, at the head of the bureau as directors. I assure you gentlemen that those men have been doing a wonderfully effective work, not so much in accomplishment in the way of recovering money, but from the fact that they have made a complete and careful study of the situation that confronted them. They have classified all the cases under various legal heads and subdivisions. There are seven or eight hundred cases to be disposed of. Five hundred of these cases might be termed important, and 150 of them were urgently important, and these 150 cases alone involve more than seventy or eighty million dollars.

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. CONNALLY of Texas. In discussing the question was any reference made by the Attorney General to the case now

in his hands for suit against the Bethlehem Shipbuilding Corporation for some nine or eleven million dollars?

Mr. SHREVE. It was just briefly referred to. The gentleman will find it in the schedule of cases now pending.

Mr. CONNALLY of Texas. It is pending in the office but not in the courts.

Mr. SHREVE. We did not ascertain the exact status of each individual case in the hearings. We found that there were over 60 cases actually in court at the present time awaiting trial. I think the record does not disclose exactly, and if I am misinformed about it the gentleman from Alabama [Mr. OLIVER] will correct me.

Mr. OLIVER of Alabama. The gentleman will find on page 100 of the hearings and pages following a list of cases now pending in court. I do not recall whether the particular case he refers to is pending in court or not. However, I feel sure that if the gentleman is incorrect in the facts of that case, Mr. Andrews or Mr. Michael will give him full information as to its present status. We did not have that particular case before us because there was such a volume that we could not go into every case that they were considering.

Mr. CONNALLY of Texas. The trouble is not about the information, but the case has been pending with the department for a great many months, and what I want to ascertain is when the Attorney General is going to file suit, if ever.

Mr. SHREVE. As I have said before, we did not find out the legal status of individual cases. For the investigation and prosecution of these war-fraud cases the Bureau of the Budget asks \$1,725,000. Your committee after giving the matter very careful consideration has allowed them \$1,000,000. Since the work was first started Congress has made three appropriations of \$500,000 each, plus a supplemental appropriation of \$200,000, making a total of \$1,700,000. Of this sum at the time of the hearings there remained unexpended a balance of \$401,397, showing that there has been expended out of the total sum appropriated \$1,298,603. For the expenditure of this \$1,298,603 the Government has secured in cash \$5,684,670.18; in deferred payments, which are absolutely secure, \$832,426.58; and in compromise offers, \$2,934,696. These compromise offers have been agreed to. I might say that the largest of these is \$2,750,000. The offer in this case is \$1,000,000 in cash and \$1,750,000 in deferred payments, making a total of \$9,300,000.

At this point I call brief attention to a statement made by Judge Bigger, at our last hearing, because this item was referred to by the judge and it was reported in the last hearings. The gentleman from Alabama [Mr. OLIVER] at the hearings asked the witness this question, and the following occurred:

Mr. OLIVER. You have collected, then, according to that statement by Judge Bigger, the amount of \$746,408.03. That is the difference between the cash that you state has been collected and the amount which Judge Bigger stated had been collected at that time.

You have called attention to a case in which there has been an offer made involving approximately \$2,750,000. This same proposal was offered by Judge Bigger when he was before us in the spring of this year. I would like to ask why this delay has occurred in the final adjustment of it, if the amount has been really agreed upon between the Government and the party making the proposal, as I understand it has been.

Mr. MICHAEL. That offer was submitted, as I recall, in January of this year. Upon its submission it first had to be referred to the Attorney General for his approval. That was done and it was then referred to the Secretary of War for his approval. The Secretary of War approved the offer, or the acceptance of the offer, and then, in accordance with the statutory requirements, it had to be submitted to the Solicitor of the Treasury for his approval. It was so submitted, and the Solicitor of the Treasury, after holding the offer for a considerable period of time, requested additional information from the Department of Justice in order to enable him to finally pass upon the offer. It was only, as I recall it, about a month or six weeks ago that the Solicitor of the Treasury and the Secretary of the Treasury finally authorized the acceptance of the offer. Now, the offer has not been since that time consummated because, in order to secure the deferred payment of \$1,750,000, a new corporation has to be organized, and bonds in that amount secured by the deed of trust of the corporation have to be issued. Naturally, it takes some time to work out the details of a proposition of that kind, and that is now being done.

I mention this that you may see that in compromise cases there must be great delay. Naturally there is great delay. The lawyers amongst us realize that it is not always that we can get a case for trial when we want to.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.



Mr. CROWTHER. Not being a lawyer, I do not know the method of suits or the ideas expressed in suits. Are they merely suits for recovery, or has there been any assertion of criminal action in any of them?

Mr. SHREVE. Oh, yes.

Mr. CROWTHER. Has anybody been found guilty?

Mr. SHREVE. Yes.

Mr. CROWTHER. Has anybody been sentenced, anybody in jail?

Mr. SHREVE. Yes.

Mr. CROWTHER. How many cases have there been where anybody has been found guilty and has been sentenced to a jail term?

Mr. SHREVE. One.

Mr. CROWTHER. And I suppose he is out on bail?

Mr. SHREVE. Oh, no. I shall make this statement to cover the situation. There have been 35 criminal indictments, of which 9 are pending trial, 3 pending appeal, 15 dismissed, 6 acquittals, 1 conviction, and 1 pleading guilty. Having had some experience in my time in criminal law, having served as the district attorney in my county, I realize the fact that it is difficult to find evidence after four or five or six years; that is, evidence of a reliable nature and of such a character that it will satisfy a jury that the person charged is criminally guilty beyond any question of reasonable doubt.

These are conditions, I assume, that confronted this department. At least it is not always found in alleged criminal cases that criminal intent can be found which is necessary upon which to base a prosecution. Taking it altogether, I am inclined to think that the criminal side has been handled as well as possible under the circumstances and the results practically, as I said before, have been accomplished. I shall be very glad to incorporate in the Record a statement of the cases that have been actually disposed of.

Mr. CROWTHER. Along that line the statement has been repeatedly made on the other side of the House and by representatives through the country that, in spite of the very thorough investigation and in spite of all the criminal actions, there never has been the slightest shadow of guilt laid at the door of the men of opposite political faith who had to do with these war activities. Is there any truth in the statements which have been made to me that one of the reasons for never having been able to bring to a successful conclusion these trials was because a good deal of the evidence was abstracted and taken away from the files of the Department of Justice and various other places in the various bureaus of the Government, so that the evidence was not available, there were long gaps in the evidence, the continuity of the evidence was broken from having been taken from the files, and it was impossible to complete the cases? I want to know if there is any truth in that?

Mr. SHREVE. I will say to the gentleman from New York that after a very careful and exhaustive examination of the department made on two different occasions your committee is absolutely unable to find anything as represented by the newspapers or others as the gentleman has just stated. As far as we were able to learn the activities of the Department of Justice have been carried on in a most orderly manner, and even back through the last administration I referred a little while ago to the procedure; there was first established these various activities over which there were placed lawyers of ability, and then over these lawyers what is known as the advisory council, every one of whom were men of great ability, of great honor and integrity, known to this country and men all over the United States. Who were they? Judge Bigger, of Columbus, Ohio; Judge Kerr, of the Canal Zone; Judge Hardwick, of Georgia, who was a Representative in the House when I first came here and who was afterwards a Member of the Senate and also governor. This advisory council was the clearing house; it was a place where all these attorneys went from the various departments to settle the question of whether they should prosecute or not, to settle what disposition should be made of various cases. That is all these men did. They were simply a clearing house.

Mr. CROWTHER. In cases which were compromised is there any question of criminal action or conspiracy, or merely a suit to recover?

Mr. SHREVE. It was really a suit for recovery; never any suit for compromise. I have explained the great difficulty of securing a compromise in any case. It must first be inspected by the Attorney General, next by the Secretary of War, the Secretary of the Treasury, and Solicitor of the Treasury. All these compromises are examined by many, many people; and if there is any fraud, collusion, or guilt the fraud would be instantly found. Now, gentlemen, your committee, after giving

this matter very careful consideration, as I have said, have finally come to some conclusions thereon, and we have decided that we cannot conscientiously recommend the \$1,725,000, as I stated in the beginning. We have recommended \$1,000,000. That is twice the appropriation the war frauds section has ever received before. We have made this recommendation—recommended \$1,000,000—for the reason these young men who are now directors have shown marked ability; they have shown that they are able lawyers; and they have organized the work of the section so that the cases can be properly tried, compromised, or proper disposition made of them. Now, I want to refer to cases which come under the Dent Act. As you gentlemen will recall, the Dent Act passed Congress shortly after the war. I do not intend to attempt to discuss its provisions here, but I want to say to you gentlemen that the cases in the section which come under the Dent Act are very numerous, and the Members of the House who are lawyers should read an outline appearing in the hearings of a brief prepared by the section in a case—The Standard Steel Car Co. against The United States—upon which is based the department's attitude to the provisions of this act. The committee is of the opinion that the Government's side is very ably presented, and upon the decision reached by the Court of Claims in this case will very largely depend future decisions affecting many cases in the section.

Mr. Chairman, how much time have I consumed?

The CHAIRMAN. The gentleman has consumed 38 minutes.

#### DEPARTMENT OF COMMERCE

Mr. SHREVE. The committee recommends for the Department of Commerce \$22,788,000, which is an increase of \$39,650 over the Budget estimate and an apparent decrease of the current appropriation of \$3,066,391. In comparing the figures for the department it should be borne in mind, as I have stated, that there is not carried for the fiscal year 1926 the sum of \$3,500,000 which was appropriated for the current year for the census of agriculture taken every five years. Deducting this amount from the current appropriations, so as to arrive at a fair basis for comparison, the Department of Commerce has received an increase for 1926 over 1925 of about \$400,000.

For the Secretary's office we are recommending \$998,000 this year.

For the Bureau of Foreign and Domestic Commerce, which probably is of great interest to you, the bill carries \$2,919,064 for the year 1926, which is \$83,761 over the current appropriation and \$4,200 more than the Budget estimate.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. BLANTON. I was interested in the statement that the gentleman made to the effect that his committee had cut down the appropriations for prosecutions of war frauds from \$1,700,000, as estimated, to \$1,000,000. This is the year 1925, and the war closed on November 11, 1918. Can the gentleman name one person who has ever been put inside of a penitentiary yet as the result of these prosecutions of war frauds?

Mr. SHREVE. I just referred to that.

Mr. BLANTON. I know you referred to it; but has one person ever been put inside of a penitentiary yet for war frauds?

Mr. SHREVE. The report which I filed shows exactly what has been done in these criminal prosecutions.

Mr. BLANTON. I already knew that before I asked the question of the gentleman. But does the gentleman know of one who has been put inside of a penitentiary as the result of these prosecutions of war frauds?

Mr. SHREVE. I would not answer that question off-hand, not having asked the authorities.

Mr. BLANTON. I will state it, and my information is reliable, that there has not been any put into the penitentiary yet, although one man named Black was sentenced to serve. Does the generalissimo of the Republican Party have any information to the contrary?

Mr. TILSON. I was just going to say that it was complimentary to the honesty of our people that that should be the case.

Mr. BLANTON. I was wondering why it was necessary in 1925 to continue to appropriate a million dollars to prosecute them. The Government has not yet been able to put anybody inside of the penitentiary for war frauds. Then why continue to appropriate?

Mr. TILSON. There are civil prosecutions as well as criminal, the gentleman should remember.

Mr. SHREVE. I am happy to say to the gentleman that while we have expended \$1,200,000 already, we have recovered

over \$9,000,000 in cash, deferred payments, and compromises that have been agreed upon.

Mr. BLANTON. How much cash?

Mr. SHREVE. Over \$5,000,000.

Mr. BLANTON. That as against spending how many billions? How many did we spend in the war?

Mr. SHREVE. I can not give the gentleman the total at this time.

Mr. BLANTON. So many that the gentleman can not calculate.

Mr. SHREVE. It is possible that \$100,000,000 is involved in these transactions.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. LAGUARDIA. Is it not true that since the appointment of Attorney General Stone that whole bureau has been changed, and he has capable lawyers there prosecuting the cases?

Mr. SHREVE. They have always kept able lawyers in the Department of Justice.

Mr. LAGUARDIA. Since Attorney General Stone came in they have gotten real lawyers there.

Mr. SHREVE. They have always had real lawyers there. The trouble in the past was the manner in which the business was conducted. I wish every lawyer in the House could step into that Department of Justice and see how these directors are conducting the office. They are conducting the business on the most modern plan. The others were doing good work, but that was along other lines.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. CROWTHER. There was one conviction against Moore & Black. Moore was dismissed and Black was sentenced to two years and six months in the penitentiary. Is he in the penitentiary now?

Mr. SHREVE. I have not that information now, but I will try to get it.

Referring again to the Bureau of Commerce, at the urgent instance of the gentleman from Oregon [Mr. HAWLEY], the gentleman from Washington [Mr. SUMMERS], and others of the Oregon delegation, we have allowed \$15,000 in the appropriation bill for a district office to be located at Portland; and while I am talking about this, let me say that also at the request of the gentlemen from Oregon and the gentleman from Washington [Mr. SUMMERS] we have increased the appropriation for lights in the Columbia River between Portland, Oreg., and the sea about \$25,000. Our idea is that we should lay a foundation for that splendid system to which these gentlemen are honestly entitled.

It was interesting to us to know the great volume of business that was being carried on at the port of Portland, Oreg.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. SUMMERS of Washington. I understand the office at Seattle is to be enlarged under the appropriation. There is ample provision for that, is there not?

Mr. SHREVE. Yes; I think so.

#### CENSUS BUREAU

The Budget estimate of \$1,974,000 has been recommended by the committee for the Bureau of the Census. There was appropriated last year \$5,347,470, which includes an appropriation of \$3,500,000 for an agricultural census which is made every five years, and, therefore, would not be needed for 1926. Deducting this amount from the 1925 appropriation so as to afford a comparable basis for comparison, the 1926 recommendations reflect an increase over the current year of \$125,000. This increase is to be used in the census of manufacturers, taken every two years.

For the purpose of collecting statistics there is an appropriation entitled "Collection of statistics," carrying a sum recommended of \$960,000, which is to be used as follows:

Birth and death statistics	\$106,500
Marriage and divorce statistics	22,000
Census of manufacturers	205,000
Cotton and tobacco	285,000
Miscellaneous inquiries	15,500
Financial statistics of cities and States	46,000
Temporary clerks and special agents in the District of Columbia	250,000

With reference to the agricultural census undertaken during the current year the committee was informed that about three and a half million schedules from that number of farmers had been obtained, and that the enumeration so far as the securing of these schedules is concerned, is therefore nearly half finished.

#### STEAMBOAT INSPECTION SERVICE

The Budget estimate of \$1,057,470 has been recommended for the service for 1926. This is an increase of \$7,440 over the current figure and is reflected in salaries for the bureau and for contingent expenses.

There were inspected by the service during the year 1924 a total of 7,560 domestic and foreign vessels, which represents a reduction under the number inspected during 1923 of 93. In addition to this there were the usual inspections of designs of marine boilers and engines, marine-boiler plates, life preservers, buoys, boats, and rafts, officers licensed, and certificates issued to seamen and lifeboat men.

#### BUREAU OF NAVIGATION

An increase over the current law of \$23,857 has been recommended for 1926, making the total appropriation for the Bureau of Navigation \$523,240. This increase is due to an addition of six employees in the commissioner's office and an increase of \$15,287 under the appropriation for the enforcement of wireless communication laws, under which there has been a considerable volume of work.

According to the report of the commissioner of navigation, on June 30, 1924, the merchant marine of the United States, including all kinds of documented vessels, comprised 26,575 vessels of 17,740,557 gross tons, of which 2,847 seagoing vessels of 12,167,786 gross tons were 1,000 tons or over, compared with 27,017 vessels of 18,284,734 gross tons on June 30, 1923. Following is an analysis of the ownership of seagoing tonnage compared with one year ago:

July 1—	Private ownership (500 tons and over)					
	Steel		Wood		Total	
	Number	Gross tons	Number	Gross tons	Number	Gross tons
1923.....	1,202	5,243,639	833	998,908	2,035	6,242,547
1924.....	1,205	5,302,740	778	941,815	1,983	6,244,555

July 1—	United States Shipping Board (1,000 gross tons and over)					
	Steel		Wood		Total	
	Number	Gross tons	Number	Gross tons	Number	Gross tons
1923.....	1,313	6,370,777	185	490,404	1,498	6,861,241
1924.....	1,204	6,083,761	75	206,562	1,339	6,290,323

The report also states that the United States is one of the few countries showing no increase in its shipbuilding as compared with March 31 last; according to figures by Lloyd's register this country ranks fifth among shipbuilding nations. A year ago it ranked sixth. The aggregate gain of world shipbuilding over the total of March 31 last was approximately 100,000 tons. Of this gain, 43,000 gross tons is credited to Great Britain, 73,000 to all other countries, while the United States shows a loss of 16,000 gross tons.

Following is a statement showing the taxes and also the navigation fees and fines collected by collectors of customs in the administration of laws through the Bureau of Navigation. This shows the receipts during the past year compared with those of the previous year and 1917, the last pre-war year.

June 30—	Tonnage duties	Navigation fees	Navigation fines	Total
1924.....	\$1,713,432.68	\$212,825.46	\$46,157.78	\$1,972,415.92
1923.....	1,688,786.68	221,678.56	36,914.62	1,946,379.86
1917.....	1,393,743.16	159,808.03	49,962.37	1,603,513.56

In connection with the radio broadcasting service, it is stated that class B stations have increased during the year from 42 to 54 and that class A stations increased from 203 to 378. Class C stations were reduced from 327 to 101. There are now two class D stations in the United States, as compared with one a year ago. On June 30, 1924, there were 535 broadcasting stations, as compared with 573 a year prior, showing a decrease of 38. There is also a decrease shown in the number of licensed amateur stations, there being 15,545 on June 30, 1924, as compared with 16,570 on June 30, 1923.

#### BUREAU OF STANDARDS

The committee recommends for this bureau for 1926 the Budget estimate of \$1,750,410. This is a reduction of \$30,710 under the current appropriation made up by small amounts



taken from several of the appropriations. This will in no way affect the work of the bureau, which will continue about as it is now being carried on under the current appropriation.

#### BUREAU OF LIGHTHOUSES

There is carried in the accompanying bill the sum of \$9,694,480 for the Bureau of Lighthouses, which is an increase of \$241,100 over the current appropriation and an increase of \$16,500 over the Budget estimates.

The appropriation for establishing aids to navigation has been increased from the current figure of \$573,000 to \$725,000. This appropriation is to carry out for the year 1926 the bureau's program of establishing various aids to navigation. For the allotment of this amount and the type and cost of the navigational aids estimated, attention is directed to pages 164, 165, and 166 of the hearings of the Department of Commerce. The balance of the total appropriation is for general expenses, salaries for lighthouse vessels, and service and retired pay.

#### COAST AND GEODETIC SURVEY

The committee has recommended \$2,298,230, the Budget estimate, for this service for the fiscal year 1926. This is \$72,614 less than the current appropriation. This decrease in most part has been made in the appropriations for Pacific coast surveys and magnetic observations.

#### BUREAU OF FISHERIES

The appropriation carried in the bill for 1926 for this bureau is \$1,562,890, which is an increase of \$54,245 over the current appropriation and \$18,950 over the Budget estimates. For the propagation of food fishes there was recommended \$372,300, which was a reduction of \$13,950 under the current amount. The committee felt justified in recommending \$386,250 for this purpose, which is the same amount the bureau is operating under at present. The committee also has recommended an increase of \$5,000 in the amount for inquiry respecting food fishes, to enable the bureau to conduct an inquiry along the coast of Texas, which seems to be quite necessary. An increase of \$28,000 for the Alaska general service and an appropriation of \$25,000 for a wild-life and fish refuge station authorized by the act approved June 7, 1924, make up the balance of the increase.

#### DEPARTMENT OF LABOR

The total appropriation for the Department of Labor for the fiscal year 1926 carried in the accompanying bill is \$8,602,625. This is \$48,721.47 less than the appropriation for 1925, but \$292,365 more than the estimate submitted by the Budget.

#### SECRETARY'S OFFICE

There is recommended for this office, which includes the items of salaries, Secretary's office, commissioners of conciliation, contingent expenses, rent of buildings, and printing and binding, \$662,620, which is about the same as the current appropriation, but \$7,500 in excess of the Budget estimates. This amount has been recommended in the item for printing and binding and is to supplement the allotment of the Children's Bureau contained in the lump-sum appropriation, to enable this bureau to have printed for distribution additional copies of its bulletins on infant and child care.

#### BUREAU OF LABOR STATISTICS

The appropriation recommended for this bureau is \$285,300, the Budget estimate, and practically the same as the current figure with the exception of a slight reduction of \$2,840 in miscellaneous expenses.

#### BUREAU OF IMMIGRATION

In calling your attention to the Bureau of Immigration there is an increase that we have recommended in the appropriation for the border patrol. There was appropriated a million dollars last year for this purpose, and they had obligated up to the time of our hearings about \$800,000. The Bureau of the Budget recommended, therefore, \$800,000 for this service for 1926. This appropriation was only available after the 1st of July. It took them two or three months to complete an organization.

I want to assure the House that they have completed a most wonderful organization. It is highly efficient. It is in operation now on the Mexican and Canadian borders. It is doing a most useful and valuable work. It will be only a short time, in my opinion, before they will have the situation well in control. The aliens desiring to enter here unlawfully will soon recognize that the boundary lines between the United States and Mexico and between the United States and Canada are unsafe places in which to try to make an entrance into the United States.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. SCHNEIDER. To what extent have you increased the force on the Mexican border?

Mr. SHREVE. There are now 250 men down there.

Mr. SCHNEIDER. Is that an increase over a year ago?

Mr. SHREVE. Yes. Four hundred and fifty men have been added to the force since a year ago and they are divided about half and half, about 250 being on the Mexican border and about 200 on the Canadian border.

Mr. BACON. In other words, these 450 men make up a new force which was created by the Budget last year?

Mr. SHREVE. Yes. They were appointed as the result of the action of the House during the passage last year of the appropriation bill covering this bureau, and they compose a force known as the border patrol. It has taken the department some time to complete this organization. The way it was done was this: They would select one man who was familiar with this work and place him in charge of a squad; he would then take these men and train them, and finally put them on the borders to stop this traffic in aliens. Naturally there would be found some who were inefficient. These were released and others appointed in their places, so they have been sorting out the men and getting the best. It is the ambition of the Secretary of Labor to make this squad the equal of the constabulary force of the State of Pennsylvania, which is known everywhere the world over.

Mr. SUMMERS of Washington. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. SUMMERS of Washington. I would like to know the total number on the Mexican border and on the Canadian border who are patrolling to prevent immigrants from coming in as well as preventing the bringing in of narcotics and alcoholics.

Mr. SHREVE. Well, there are 450 under the Department of Labor who are patrolling to prevent the unlawful entrance of aliens into the country. I am unable to state how many men are engaged in the prevention of narcotic smuggling, because that service comes under the Bureau of Internal Revenue.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. LA GUARDIA. Does not the gentleman believe it would be prudent and economical, as well as efficient, to have a uniform border patrol which would take jurisdiction over the smuggling of narcotics and alcoholics as well as immigrants, performing just police duties but not administrative duties?

Mr. SHREVE. I will say in reply to the gentleman that it is my belief that this border patrol is just the foundation which we have laid for something greater and stronger. We should have a well-organized border patrol, whose business it is not only to look after the aliens but to look after the smugglers of narcotics and alcoholics, as well as the bootlegger and every man who is in any way violating the laws of our country. It is my ambition to see this patrol grow until it is of such great value that it will be as well known as is the constabulary of the State of Pennsylvania.

Mr. DOWELL. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. DOWELL. I notice a statement by the Secretary of Labor relative to the number of those coming to this country across the Mexican border. Is that because of the fact that this constabulary, as the gentleman calls it, had not been previously established?

Mr. SHREVE. Yes.

Mr. DOWELL. And will this, in the opinion of the Secretary, prevent this crossing of the border unlawfully?

Mr. SHREVE. Absolutely. It is only a question of time, in my opinion, before the border will be fully protected. The border heretofore has consisted of long, vacant stretches, but I am convinced that before long all of these stretches will be fully patrolled. Let me call the gentleman's attention to another thing: It is becoming mighty dangerous for a Mexican to come across the border illegally, because when he does so he is apt to find himself in great difficulty. He may be picked up and treated as an alien, and then he may be deported to some foreign country, and he prefers to go back to his own country, and the fear of being deported to some foreign country, in my opinion, prevents a great many Mexicans from coming across the border unlawfully.

Mr. DOWELL. One other question, and this relates to the inquiry made by the gentleman from New York [Mr. LA GUARDIA]. It is impractical, I think, for all the departments to keep an independent force on the border. I think the Government is criticized very severely—and perhaps correctly—for having so many agents going over the same territory, one following the other, and neither of them having anything to do with the other departments. Is there not some way by which these departments can be coordinated, if you please, to the point where the agent of one department can act for another



department, and that the information from one department can go to another department just as well as having one agent following another over the same territory; and is it not a part of the duty of the Appropriations Committee to see to it that appropriations are made in the various departments for persons who shall act in connection and in conjunction with all these departments instead of working for just one department?

Mr. SHREVE. Well, to the gentleman's first question I would reply that I believe it is entirely possible and feasible to create such an organization as the gentleman has referred to and which organization would handle all of these various matters. However, that is a legislative matter and does not come before our committee. But as to the appropriations we are making it is our idea not to handicap in any way any of the activities that are rendering a useful service to the Government.

Mr. DOWELL. That is certainly correct, but it is apparent, I think, that the various departments are not going to coordinate this work. They have never done it to any extent, and it seems to me it never will be done unless Congress compels the coordination, and it seems to me that in this special case, where a large sum of money is now being used for a very good purpose, and while they are doing the work to which they have been assigned, they could also, for instance, stop the narcotic traffic across the border. Is it not possible that they can be given this authority by the other departments in order that they may accomplish a greater amount of work?

Mr. SHREVE. It would seem that something might be worked out along the lines suggested by the gentleman.

Mr. BOX. Will the gentleman yield?

Mr. SHREVE. Yes.

Mr. BOX. I was very much interested in the statement made by the gentleman to the effect that the border patrol is looked upon by him as something that is just beginning and which will be further developed from time to time. My understanding is that the Department of Labor also has that view to a great extent, and I also understand that my colleagues on the Committee on Immigration and Naturalization believe that.

I wonder if the members of the Committee on Appropriations now generally have that view, and if it is their purpose, circumstances permitting, to develop the idea further and further as the enforcement of this law and the methods of doing it develop.

Mr. SHREVE. I will say to the gentleman that the full committee were very well pleased with the work done by the subcommittee in connection with the border patrol, and it is fair to assume they are in direct sympathy with us, and I feel I reflect the sentiment of the full committee when I say this afternoon that we are vitally interested in the development of this border patrol.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. SHREVE. I yield.

Mr. HILL of Maryland. Will the gentleman state whether he has any information as to the number of immigrants who have been illegally brought in over the Mexican border during the past year? Has that information been developed by his inquiries?

Mr. SHREVE. Illegally brought in?

Mr. HILL of Maryland. Yes; that have been smuggled in. Has the gentleman any statistics on that?

Mr. SHREVE. There are no statistics available. It is a very difficult matter to determine. There are estimates, but I will say that in recent months the number attempting to go across the border has been very materially reduced. These men land nowhere when they get across. Their objective point is Philadelphia or New York or Chicago, and they find now that it is easier to go around and get in through the straight and narrow gate through Ellis Island. I think we will not be bothered much more with them.

Mr. LAGUARDIA. If the gentleman from Pennsylvania will yield, I will say in answer to the gentleman from Maryland that at the time we had the immigration bill under discussion I took the matter up with the Secretary of Labor, and he estimated at that time that sixty-thousand and odd came in legally through the Mexican ports and an equal number came in illegally. That was at the time we were discussing the bill in committee.

Mr. HILL of Maryland. In the hearings before the Immigration Committee last year the Secretary estimated, as I recall it, that there were about 212,000 who came in illegally, but they could not prove it.

Mr. LAGUARDIA. I think that is high.

Mr. TILSON. Will the gentleman from Pennsylvania yield for one additional question?

Mr. SHREVE. Yes.

Mr. TILSON. In regard to the increase of \$234,865 over the amount estimated for in the Budget, is this increase largely due to the increased patrol?

Mr. SHREVE. Yes; very largely.

Mr. TILSON. What did the Budget estimate propose to do about it? Did they make any recommendation?

Mr. SHREVE. Oh, yes; they make a recommendation on everything.

Mr. TILSON. Of course, they recommend a certain amount.

Mr. SHREVE. They made a recommendation of about \$200,000 less than the amount we have given. Under the Department of Labor on page 44 of the report you will find the total for regulating immigration, and you will find we increased the recommendation of the Budget by \$234,865.

Mr. TILSON. This is the same amount that was appropriated for 1925.

Mr. SHREVE. The estimate made by the Bureau of the Budget was \$4,850,000 for regulating immigration, and we have recommended an appropriation of \$5,084,865, so we have increased the estimate submitted to us by the Budget by \$234,865.

Mr. SCHNEIDER. But is not that the same amount appropriated last year?

Mr. SHREVE. Yes.

Mr. TILSON. Does the gentleman know what was the recommendation of the department itself? Did they recommend the same amount carried in the Budget?

Mr. SHREVE. I am not cognizant of what amount the department asked the Bureau of the Budget for.

Mr. TILSON. In other words, you recommend the amount that was appropriated last year and which was asked for by the department, and in this case have disregarded the estimate of the Budget.

Mr. SHREVE. We have appropriated more than the Budget figures because we felt that this unit had not been in operation more than two months, and it was hard to determine just exactly what amount would be expended to complete their organization. We therefore brought the appropriation back to the amount the House thought necessary when it authorized this service last year.

Mr. TILSON. And the gentleman feels that it will require this \$234,000 additional in order to do the same work as is being done in the fiscal year 1925?

Mr. SHREVE. I will say to the gentleman that it will require the \$234,000 extra in order to carry on the work that is now being conducted with the necessary improvements which naturally go with work of that kind.

Mr. BACON. As a matter of fact, the work should be extended, should it not?

Mr. SHREVE. I do not see how you can extend it. They are covering the border now and I do not see how it could be made more effective.

Mr. SCHNEIDER. Will the gentleman explain just how they are covering the entire border from the fact you are not using more money than you did last year?

Mr. SHREVE. We have 450 men employed in patrolling the border and they are divided into two groups, and if given sufficient time it has been shown that they are able to cover the border and the people are not coming in. They are covering it now with the force that is not fully trained at this time.

Mr. SCHNEIDER. Where does the revenue come from, inasmuch as the amount is the same as it was a year ago?

Mr. SHREVE. I do not understand the gentleman.

Mr. SCHNEIDER. From what fund are they paid?

Mr. SHREVE. The fund created in the appropriation made last year for regulating immigration.

Mr. SCHNEIDER. But the gentleman says the force was increased on the border by 100 men.

Mr. SHREVE. The force was created, and the appointment made of 450 men, because last year the House made a special appropriation of \$1,000,000 to cover it.

Mr. CELLER. Will the gentleman yield so that I may ask him some questions about the Bureau of Naturalization?

Mr. SHREVE. Yes.

Mr. CELLER. I understand there is an increase in the appropriation of about \$50,000 for this work; am I correct about that?

Mr. SHREVE. The gentleman is absolutely correct.

Mr. CELLER. Is the gentleman familiar with the situation in New York?

Mr. SHREVE. I am.



Mr. CELLER. Where the Federal Government has taken over entirely that work, and does the gentleman know that in the county of Kings, in Brooklyn, for example, where the State did part of the naturalization work that for the fiscal year ending June, 1923, with an appropriation of \$12,000 or a little less, the county clerk of Kings County turned into the Federal Government \$51,000, making a net profit to the Federal Government of \$42,000, and yet the naturalization work has been taken out of the hands of the county clerk in Kings County?

Mr. SHREVE. I am well aware of that fact, and we have made an appropriation of about \$50,000 this year for the purpose of restoring the work, provided it can be along the line suggested by the gentleman.

Mr. CELLER. Would not that \$50,000 have been saved if it had been entrusted to the State authorities?

Mr. SHREVE. I can not tell about that. We are doing the best we can. That is a peculiar situation, and I hope we have it settled.

Mr. SUMMERS of Washington. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. SUMMERS of Washington. The Washington Post credits Mr. James J. Britt, counsel for the Prohibition Unit, with the statement that in an effort to prohibit smuggling of rum and narcotic drugs into the United States an army of 4,500 Federal agents, exclusive of Coast Guards, are employed along the coast and borders of the country. Would it not be immeasurably better to have a unified force, and what serious objection could there be to this force being detailed from the Army or the Navy or the Marines, so as to carry on all of this work at very little additional expense over the ordinary expenditures of the Government? An enormous saving would be made in using the forces of the Government in this way instead of special agents.

Mr. SHREVE. Replying to the gentleman, I would say that some day, sometime, we may be able to accomplish this very noble purpose, but at the present time we are rather handicapped.

Mr. TILSON. Along the lines of the suggestion of the gentleman from Washington [Mr. SUMMERS], why not dismiss all of the policemen in all of our cities and use the Army and the Navy for that purpose? That would be exactly on a par with what the gentleman proposes.

Mr. SUMMERS of Washington. When I mentioned this a year or two ago, immediately thereafter we made a large appropriation to put the Coast Guard to doing the very thing that I suggested here on the floor.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SHREVE. Yes.

Mr. BLANTON. Mr. Chairman, I think that the distinguished gentleman from Washington [Mr. SUMMERS] is exactly right and that we ought to do just exactly what he states about that matter. I think the gentleman from Iowa [Mr. DOWELL] made a very unfortunate interruption awhile ago when he mentioned the enforcement of the narcotic act. The gentleman will remember that just before we adjourned I vigorously fought from this floor a resolution to appropriate \$40,000, which sent our colleague, Mr. PORTER, across the water, where he is now. I said then it would be a waste of money and that we would accomplish nothing by it, and that it would be a pleasure trip for our friend, Mr. PORTER.

Mr. LAGUARDIA. But he is doing good work.

Mr. BLANTON. If the gentleman will read the paper this morning, he will see where the representatives from Great Britain and Holland say, "Away with you."

Mr. LAGUARDIA. But we want to put up as good a fight as possible.

Mr. BLANTON. They say in effect to go home, that they will attend to their business there and we ought to attend to our business here. I say let us attend to our business here and let them attend to their business over there.

Mr. OLIVER of Alabama. Mr. Chairman, I take this opportunity of expressing my appreciation to the distinguished gentleman from Tennessee [Mr. GARRETT] for his scholarly address on the proposed constitutional amendment. It not only evidences his great ability but shows wonderful industry and research. He has collected many interesting and informing historical facts, which will prove of incalculable service to the Members of the House when they come to consider this important amendment favorably reported by the Judiciary Committee. It will also be a veritable encyclopedia of information to our constituency if the amendment is later submitted to the States. It should be printed as a House document, and I will later make such request.

In view of the very full statement made by my distinguished colleague from Pennsylvania [Mr. SHREVE] as to the important items in the appropriation bill which we now have under consideration, I desire simply to briefly supplement his statement relative to some few items of the appropriation for the Department of Justice.

The gentleman from Texas [Mr. BLANTON] in some of the questions propounded seems to criticize the section handling appropriations for war frauds.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. BLANTON. I have commended them, especially our former colleagues who are down there. I have commended them frequently for their effort and zeal; but nothing worth while, compared with the money that we have spent, has been accomplished.

Mr. OLIVER of Alabama. The money we have appropriated, it will be understood, is primarily for the purpose of recovering money improperly paid out and which the Government, it is thought, is entitled to recover. In the investigation of these matters comparatively few cases where criminal prosecutions would lie have been found. There are perhaps now pending 40 criminal cases. The lawyers in charge of the war-fraud cases will not likely be engaged at all in the prosecution of these criminal cases, but cases of this character are referred to district attorneys for investigation and prosecution. The gentlemen employed under this special appropriation, which has been designated "War frauds," are very busy in recovering for the Government money improperly paid out.

The Attorney General, Mr. Stone, has employed two lawyer of splendid ability to take charge of the war transaction section, and every member of the subcommittee who assisted in writing this bill was deeply impressed with the ability of the gentlemen now in charge of the section and with their zeal and industry. Soon after their appointment last summer they very wisely concluded that the important thing to do was to classify the cases now pending in court, as well as those before the war fraud section, for investigation, according to the legal principles involved. This has been well done, and I think Congress can now feel that any money appropriated for the furtherance of this work will bring satisfactory returns.

The Members of the House who were here at the time the Dent Act was passed, in March, 1919, will find it most interesting to read an able brief prepared by Mr. Andrews and Mr. Michael, now in charge of the war fraud section, in the case of the Standard Steel Co., now before the Court of Claims. An analysis of the brief to which I refer will be found on pages 91 et seq. of the hearings, and it furnishes a remarkably clear statement as to what Congress intended in the Dent Act. There has been much criticism and misunderstanding of the real purpose of the Dent Act, and certainly the brief to which I refer is a very concise, logical, and clear statement of the purposes that Congress had in mind when it passed the act. It was unquestionably misconstrued, to put it mildly, by some of the Government representatives, and as a result of such misinterpretation large sums of money were improperly paid to claimants, for which recoveries are now sought. In this particular case the amount involved is something more than \$2,000,000, and there are other cases dependent on a like question, where the total amounts involved approximate \$100,000,000.

If the counterclaim set up in the Standard Steel Co. case is sustained, it will enable the Government to readily dispose of a number of other claims and will bring into the Federal Treasury very large returns. The legal questions involved were argued and submitted to the Court of Claims about 10 days ago.

Mr. TILSON. Will the gentleman yield?

Mr. OLIVER of Alabama. I will.

Mr. TILSON. Is this a construction of the Dent Act?

Mr. OLIVER of Alabama. Yes; and I commend the brief to the careful reading of the gentleman from Connecticut. It is by far the most forceful and logical statement as to what the Dent Act did or was intended to do that I have yet seen.

Mr. TILSON. If the gentleman will excuse me right there, I have said there was no ground whatsoever for the criticism of the Dent Act, if properly interpreted. I think it was a very wise piece of legislation.

Mr. DENISON. Will the gentleman yield?

Mr. OLIVER of Alabama. I will be glad to yield.

Mr. DENISON. Will the gentleman state who prepared the brief?

Mr. OLIVER of Alabama. Mr. Andrews and Mr. Michael, who were appointed by the Attorney General last July to take charge of the war transactions section. I will be glad to



supply a copy of their brief to the gentleman if he desires it. We have a limited number of these copies for Members of the House who may be interested in going into the matter more fully.

The gentleman from Connecticut is correct in stating that the Dent Act has been grossly misunderstood by the uninformed. Certainly the House in passing the act sought to permit only limited relief in that class of cases where the formalities of law had not been complied with and which, on that account, in the absence of the Dent Act, no claims could have been sustained. Congress certainly limited the profits that could be recovered on such contracts to supplies and goods actually delivered to and received by the Government, and provided further only for a reasonable remuneration for any expenses and obligations incurred in preparations made to carry out such contracts. After the bill passed the House, the Senate amended it by providing for the recovery of possible and prospective profits, but this amendment was not concurred in by the House conferees and the bill finally passed with this Senate amendment stricken out.

Notwithstanding this, the act seems to have been interpreted as authorizing such possible and prospective profits, and as a result of such misinterpretation, millions of dollars were improperly paid out to claimants for which recoveries are now sought. I can not too strongly commend to the Members of the House the reading of the brief referred to.

The committee has not allowed for the war fraud section the amount recommended by the Budget, but we feel that the amount allowed, which exceeds by \$300,000 the amount heretofore appropriated for any one year, will enable this section to employ the additional counsel, audit, and clerical help needed for the test cases which it is proposed to try first, and to prepare for trial other cases considered as urgent. If it should later develop that further funds are required, Congress will reconvene in time to supply the same. In the meantime, court rulings will be had on many of the disputed questions, so that Congress can more intelligently appropriate for the further prosecution of these cases.

There are now pending in the war fraud section about 700 cases; of this number approximately 150 are pending in court and suits will soon be filed in 50 or 60 additional cases. The courts will be able to dispose of but comparatively few of these cases during the year, but it is believed that by pressing for trial certain important test cases that the work of this section will later be greatly relieved.

Mr. LA GUARDIA. Will the gentleman yield?

Mr. OLIVER of Alabama. I will.

Mr. LA GUARDIA. Of course, it is very desirable there be no changes of these gentlemen upon the part of the Attorney General's office. Does not the gentleman agree with that?

Mr. OLIVER of Alabama. It is most desirable, and I think the Members of the House will be in full agreement with what the subcommittee has recommended if they will only take time to examine carefully the excellent work now being done by the war transactions section.

I wish to refer Members of the House to pages 100 and 120 of the hearings, where a concise review of the work of this section will be found. Members of the House will also be interested in the tables set out on pages 152 to 154, inclusive, which show how the work of the courts has increased in the last few years. You will also be pleased to note the large number of cases that have been finally disposed of in comparison with former years. Much of the new business before the courts is due to the prohibition act, and you will find in Schedule C to what extent this act has contributed to the volume of new business.

Mr. HILL of Maryland. On what page?

Mr. OLIVER of Alabama. Page 155, I think. In one of the schedules on page 156 will be found the amounts collected in civil and criminal cases through the courts, and it is interesting to note that during the past seven or eight years the amounts collected each year by the Department of Justice have been sufficient to pay one-half of the total appropriations of the department for such years. In some years this percentage has been as high as 70 or 75 per cent of the total appropriations for the department.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. HILL of Maryland. I wondered if there came before the gentleman's committee in connection with the prosecutions to which he refers on page 155 of the hearings the question whether certain portions, at least, of the work that is done by the prohibition units could be properly and more effectively transferred to the Department of Justice under the director of investigations. Was that matter brought up at all?

Mr. OLIVER of Alabama. We did not go into that, since we had no jurisdiction of the matter.

Mr. HILL of Maryland. The council of judges have recommended that. I thought perhaps you had touched upon it.

Mr. OLIVER of Alabama. No; we did not. In another year, let me say, it may be necessary to appropriate a larger sum for the employment of counsel, in view of the many cases now pending in the courts, especially in the Court of Claims, against the Government, and which run now into the billions of dollars. Some of the counsel employed are underpaid, and you can not expect able counsel to remain with the department unless adequate compensation is provided. Congress will be interested, I know, in providing an adequate sum for the employment of lawyers of recognized ability in the defense of these suits. It is important in this connection to provide salaries sufficient to retain an able and permanent personnel in the department. Appointments should be made free of political considerations, and where the personnel are rendering efficient service, they should not be removed from time to time by change of administrations. [Applause.]

Mr. SCHNEIDER. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. SCHNEIDER. What is the largest salary paid?

Mr. OLIVER of Alabama. I believe that \$10,000 is the largest salary now paid, and there are comparatively few who are paid as much as \$10,000. This salary is sufficient, but there are many drawing much lower salaries, some of which should be increased.

The gentleman from Texas [Mr. CONNALLY] made reference to the case of the Bethlehem Steel Co. That case is now in court and is at issue. It involves about \$11,000,000, and the final determination of the case may largely hinge, as I am informed, on a legal question, namely, whether the "bonus-savings clause" in some of the war-time contracts is valid. Some insist that this clause is void as against public policy, and of course it is generally accepted that the clause is invalid where any special facts can be shown indicating that fraud or improper influence was exerted in fixing the bonus amount. These are legal questions, however, to be decided by the court; but, as the gentleman from Texas stated, this is an important case.

Mr. CONNALLY of Texas. One of the questions involved in the case is whether Mr. Schwab, who was one of the managers of the Fleet Corporation, was justified in permitting these contracts to be made to the Bethlehem Steel Co. at higher rates than similar contracts in other companies.

Mr. OLIVER of Alabama. This case is being handled by Mr. Brown, whom, I understand, is a distinguished member of the Philadelphia bar. I have no doubt that the fiduciary relationship occupied by Mr. Schwab is a factor to be taken into account. If Mr. Schwab, acting for the Government, made a contract with a company in which he held an interest that, of course, under the law, must be taken into account in determining the validity of the provision referred to.

Mr. CONNALLY of Texas. I only interjected that because the gentleman was giving a catalogue of cases. That is one feature of the case.

Mr. OLIVER of Alabama. The gentleman is undoubtedly correct; but I was undertaking to simply state some of the legal principles involved, not the facts.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Yes.

Mr. BLANTON. Several of these attorneys are ex-Members of the House and are now drawing \$10,000. Does the gentleman think that that service down there is any more responsible or should be paid any higher compensation than the services of a representative of the people in Congress? If they are willing to serve here for \$7,500 a year, why should we, as soon as we employ them down there, give them a \$2,500 raise?

Mr. OLIVER of Alabama. I do not think there are now many in the employment of the Government at a salary of \$10,000 who were former Members of the House.

Mr. BLANTON. I can name several ex-Members of this House who are down there drawing \$10,000 a year.

Mr. OLIVER of Alabama. So far as I recall, there is only one ex-Member of the House who may be drawing \$10,000. If he is in charge of some of the important litigation now pending against the Government and has the legal ability to efficiently represent the Government in such matters, he is not overpaid. I know nothing, however, of the legal ability of the gentleman to whom reference is made nor of the litigation he is in charge of.

Mr. BLANTON. The gentleman speaks of the size of the cases. They are no larger in the aggregate than the cases ranging between three and four billion dollars a year that we handle on the floor.



Mr. OLIVER of Alabama. I will not go into that; and certainly I have no desire to disparage the important work done by Congress. Where able counsel are employed in litigation involving millions of dollars fees earned by lawyers in private practice must be considered in determining the compensation to be paid by the Government.

The Department of Justice has now set the rule of not exceeding \$10,000, and there are comparatively few drawing as much as \$10,000. The majority of the lawyers employed by the department, many of whom are men of high ability, are not drawing exceeding \$7,500, and by far the larger number of lawyers employed are paid much less.

Mr. BLANTON. I think I give as close study to the work of Congress as I ever did to any case in which I was attorney—nearly a quarter of a century experience in courthouses. I think the work here is just as important as the work down there.

Mr. OLIVER of Alabama. I have no doubt that the gentleman, by leaving the House, could make more on the outside, but if he is content to remain here for \$7,500, as others are, that is entirely proper. I know the Members of the House properly feel that they are rendering an important service, and I think they are underpaid, but the very fact that they continue to come back would indicate they are satisfied to serve for the amount allowed.

I simply wish to emphasize that at this time there are more cases pending against the Government in the courts than ever before in its history, and that these cases involve millions of dollars; the ablest counsel in the Nation are employed to prosecute the cases against the Government, and it is important that the Government be represented by counsel of recognized standing and ability, and I am pleased to know that in many instances called to our attention the department has been able to secure the services of very able counsel at not exceeding \$10,000 per annum and in quite a few instances for less.

Now, in conclusion, let me say that no department of the Government is more important than that of the Department of Justice. It is supremely important that our people shall have absolute confidence in those who represent the Government in the courts. The present Attorney General, Mr. Stone, is a lawyer of outstanding ability, of high character, and a splendid administrative officer. I regret that we are to lose him as the head of the department. I hope the time will come when the Department of Justice will be organized and maintained free from all suspicion of political appointments, because it is the one department that should give, that must give, confidence to our people in all of the other Government departments. [Applause.]

Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has used 24 minutes.

Mr. OLIVER of Alabama. Mr. Chairman, I yield 20 minutes to the gentleman from Tennessee [Mr. BYRNS].

The CHAIRMAN. The gentleman from Tennessee is recognized for 20 minutes. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, in the time at my disposal I wish to discuss the appropriation which is carried in this bill for the Bureau of Foreign and Domestic Commerce. I have always, I think my colleagues will admit, stood for strict economy in the appropriations which are made for governmental activities, but I recognize that it is sometimes false economy to fail to make a sufficient appropriation and hamper some very important activity of the Government which is rendering a great service to the people of the United States. There is sometimes truth in the old adage of "penny wise and pound foolish."

In my judgment the appropriation which is carried in this bill for the Bureau of Foreign and Domestic Commerce is not sufficient to enable that bureau to properly perform its functions in fostering and promoting our domestic and foreign commerce. If you gentlemen will take the pains to read the hearings—and they are very interesting—and the statements made by Dr. Julius Klein, the very able and efficient director of that bureau, and Mr. Secretary Hoover, a man of great ability and wide vision, I am satisfied that you will come to the same conclusion to which I have come after reading those hearings and making an investigation as to the work being done by the bureau.

Mr. TILSON. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. TILSON. I do not have the hearings before me, but what was the recommendation of the Department of Commerce? I note that the Budget estimate has been exactly carried out in the bill.

Mr. BYRNS of Tennessee. The Budget estimate provided, as I recall, in round figures, for \$79,000 more than the appro-

priation for the present year, and the committee has recommended \$83,000, in round figures, more than is carried in the current appropriation, but it will require, according to the statement made by the director, \$390,000 more than the amount recommended by the committee in order to enable the bureau to properly perform its functions in meeting the inquiries and demands made upon it by the business and commercial interests of this country.

My interest in this bureau is not a new thing. I have been interested in it from its first inception. It so happened that at that time I was the chairman of the Committee on the Legislative, Executive, and Judicial Appropriations, which carried the appropriation for this bureau. It was one of the first constructive measures proposed by Mr. Redfield, the wide-awake and able Secretary of Commerce under the Wilson administration, and it was put into effect by Congress upon his recommendation.

I have followed it through all these years. I have always been an earnest advocate of the great work being accomplished by it in the interest of the business of the country. I have been greatly interested in the very valuable work that has been done and progress made by this bureau under Mr. Secretary Hoover and under the direct supervision of Dr. Julius Klein, its very competent and efficient director, who has put his whole soul into this work, and to whom the business men of the country are greatly indebted.

Mr. OLIVER of Alabama. If the gentleman will permit, the committee fully appreciates the tribute paid by the gentleman to Mr. Klein. He is a very able director, and the committee appreciates the very valuable work that his bureau is doing.

Mr. BYRNS of Tennessee. I am glad to have that statement from the gentleman from Alabama, because I happen to know that he is as deeply interested in the work being done by this bureau as any other Member of the House, and as anxious to see it function as it should function.

Now, I have heard it stated that one reason why a greater appropriation was not made for the bureau at this time was that it was desired to hold it within the Budget estimate. Well, gentlemen, the Budget, to my mind, was never intended to take from Congress its constitutional authority to make appropriations and to decide matters for itself. The Budget Director is interested in figures, he is interested in holding down the amounts of the appropriations within a certain limit of the financial program, and his work is exceedingly valuable and important. He is not concerned with policies except as they affect appropriations. But the Congress is interested not only in appropriations, but it is interested in all those things which look to the advancement, progress, and material prosperity of all the people. So I say I do not understand that the Budget estimate should control us in a matter where we, as Members of the Congress, are convinced that a bureau is being denied the appropriations necessary in order to enable it to function as it was intended and as the interest of the country demands that it function. But I can point out to the Director of the Budget, and I can point out to the Congress many methods of saving more than the amount of money necessary to provide this bureau with the increased appropriation it requires without injuring the Budget estimates. Only a few days ago, at the instance, and on the express recommendation of the Secretary of the Interior and the Commissioner of Public Lands the Appropriation Committee recommended in the Interior appropriation bill the consolidation and abolishment of certain land offices in the West, which would have amounted to an annual saving of more than \$230,000. A great saving could be accomplished by the consolidation and abolishment of a number of assay offices in the West. The elimination of these offices, declared by those in authority to be unnecessary, would take care of the increase so badly needed by this all-important bureau.

Mr. SEARS of Florida and Mr. CARTER rose.

Mr. BYRNS of Tennessee. I yield first to the gentleman from Florida.

Mr. SEARS of Florida. I am interested in what my friend from Tennessee has said. I merely want to say I am surprised at the statement of my friend, because he is on the Committee on Appropriations and is too young and too able to be living in the past. We are now governed solely and entirely by the Director of the Budget, and it is a waste of a Member's time to even go before the committee and present facts and figures.

Mr. BYRNS of Tennessee. I have very great respect and regard for my friend from Florida, but I can not fully subscribe to that statement.

Mr. SEARS of Florida. The gentleman has not met his Battle of Waterloo like the gentleman from Florida.



Mr. BYRNS of Tennessee. I yield now to the gentleman from Oklahoma.

Mr. CARTER. The gentleman spoke of an attempt to abolish certain land offices which the Secretary of the Interior had recommended the discontinuance of, and in that connection I will say that the House did abolish, in the Interior Department appropriation bill, by refusing to provide for them, certain political offices in a great many of the Western States, known as surveyors general. I understand those have all been added to the bill by the Senate, and I hope we will have the full cooperation of the gentleman and of all the House in trying to effect that economy.

Mr. BYRNS of Tennessee. The gentleman can rest assured he will have the benefit of my feeble efforts to enable him to bring about that saving to the taxpayers.

With reference to new activities, I observe from the press that the President of the United States is very much in favor of a great memorial bridge over the Potomac River, estimated to cost at least \$14,000,000. The Senate has passed the bill and efforts are now being made to get the House committee to report it.

The annual interest upon that \$14,000,000 will take care of the increased appropriations necessary for this very essential bureau twice over. The bridge would doubtless be a work of art and very ornamental, but, in my judgment, it is not needed. The Government has just completed a bridge over the Potomac at a cost of over \$3,000,000. The two bridges we now have are sufficient for traffic and certainly there is no necessity for appropriating such an immense sum for a memorial bridge at this time. It is not consistent with a program of genuine economy.

The President has recommended the payment of the French spoliation claim, a claim that has been hanging around Congress for more than 100 years, and every Congress since that time has refused to make appropriations to pay it. So far as I know, no other President has ever recommended it. The amount is over \$3,000,000, yet we are told that because the increase of this appropriation for the Bureau of Foreign and Domestic Commerce would put it beyond what is called the President's financial program, we must starve this bureau and prevent it from performing the functions for which it was intended—to give to the business interests of this country information concerning foreign markets—and assistance in securing foreign trade. I protest against such a short-sighted policy and the expenditures of these immense sums, while an activity established for the benefit of the business men of our country is permitted to languish because of lack of funds.

I have had occasion to make inquiries regarding the service rendered to American business by the Bureau of Foreign and Domestic Commerce and have found some really astonishing facts.

I have gone over the figures for the last four years as given in the annual reports of the director and find that they have answered inquiries and requests for information from business men at such a rate that the number handled daily has risen from about 700 in 1921 to almost 7,000 at this time.

A comparison of the increase of services rendered with the appropriation shows an increase in the work of the bureau of 607 per cent, as against an increase of 141 per cent in appropriations. This wide spread is even further emphasized in comparing 1924 with 1923, when the services rendered by the bureau increased 113 per cent, as against only about 3 per cent increase in funds carried in this bill. If the work being done by this bureau is of any value to the business and industrial interests of the country, and no one denies that it is, then it should be provided with sufficient funds to properly function and meet the demands which are made upon it. It is too much to say that the bureau can fully and properly take care of such an increased load of business with such a small increase of appropriation over and above those provided in previous years. Such a condition can mean but one thing—the inevitable breakdown of one of the most valuable revenue-producing units in our Government.

The last annual report of Director Klein shows an estimate of not less than \$529,000,000 worth of new business secured last year through their efforts, on which taxes paid to the National Treasury amounted to probably \$7,000,000, or nearly three times the cost of maintaining the bureau.

Sound judgment dictates and intelligent economy requires that such a revenue producer be encouraged. It seems to me it is very poor economy to so restrict the resources and stifle its growth at this crucial period in the world's trade that it can not meet the growing burden of demand, now double what it was a year ago, made upon it by merchants, manufacturers,

farm cooperatives, and others all over the country. It appears from the hearings on this bill that one of the unfortunate results of this rapidly mounting burden, without a sufficient increase in funds, is a congestion of work already undertaken by the bureau and a great number of demands for new work which can not possibly be touched.

I call attention to a statement made by Director Klein in the hearings in which he sets forth a few of the pressing requests that are being made upon that bureau now and to which the bureau has been unable to give attention because of lack of funds. He says:

We are 32 days behind our schedule in giving out lists of foreign buyers, whereas the delay in the issuance of the lists should not exceed 48 hours in any one case. Speed in this service is absolutely indispensable and this lag of more than a month is growing steadily and can only be overcome by additional clerks. The work of the tobacco section has become so heavy that if no new work of any sort were undertaken the section would be obliged to work full time for four months to complete work already under way.

The tariff division covers only automotive and rubber commodities with a regular service, and can not handle any of the other 16 major commodities, which include electrical equipment, iron and steel, machinery, agricultural implements, boots and shoes, foodstuffs, etc. The National Canners' Association committee, which cooperates with the Department of Commerce, has requested that we compile tariff information and food laws of the various countries to which we export foodstuffs. This we can not do under present funds.

There have been numerous requests made of the bureau for a regular service on comparative ocean freight rates and the transportation division has also received urgent requests for trade surveys of various southern ports, likewise impossible because of inadequate appropriations.

We have recently received a request from produce companies of Tennessee and elsewhere requesting us to make a study of European conditions as they relate to the possibilities of exporting poultry products, the value of which in 1923 was over a billion dollars.

Our lumber division has had numerous most urgent requests which it has not been able to fill. The lumber industry, through organizations in the South and the Northwest, have asked that a system be started in checking up on claims abroad. Not less than \$7,000,000 is involved in lumber claims each year, and we are the only large exporting nation with no method of protecting our lumber exporters in this serious form of loss. Nineteen firms of the Pacific Lumber Exporters' Association have requested the department to increase its service of lumber information particularly as it deals with the Japanese market, which we can not do under present funds. This industry is one of the most important and most widely scattered in the country and is justly entitled to such service.

The Jacksonville (Fla.) Chamber of Commerce has made an urgent demand for special information regarding the marketing of citrus fruits in Europe. It has been utterly impossible to undertake this work because of the great amount of work now pending in the foodstuffs division. The annual production of citrus fruits is from \$110,000,000 to \$112,000,000 and the exports are over \$10,000,000.

In the domestic commerce field we are being buried under an avalanche of demands for service which can not be met. Among these may be mentioned the request from the National Wholesale Grocers' Association to the domestic commerce division for an investigation of wastes and costs of operation in this trade.

The machine-tool industry has asked for certain studies on cancellations, on the sale of second-hand machine tools, credit and collection practices, etc. Various companies in the cement industry have asked for studies for the purpose of the elimination of waste in distributing methods of that industry.

Insistent demands have been made on the bureau for aid to the boot and shoe industry, which is gradually recovering from the post-war depression and is urgently in need of current statistics on sales and stocks of shoe retailers.

Mr. TILSON. Will the gentleman state, if he has not done so, what is Doctor Klein's recommendation as to the amount he needs? I have very great confidence in Doctor Klein, and his recommendation would have great weight with me.

Mr. BYRNS of Tennessee. Of course, I do not speak for Doctor Klein, for the gentleman understands the rule that exists in the departments whereby the head of a bureau or even of a department will not come to Congress and urge an appropriation over and above that submitted by the Budget.

Mr. TILSON. But his department does make a recommendation to the Budget.

Mr. CARTER. Yes; that is the point.

Mr. BYRNS of Tennessee. I am informed, as I will show the gentleman later, that about a 15 per cent increase on many of these items of appropriation for specific purposes



would be sufficient; or, in other words, about \$390,000 over and above the \$79,000 estimated by the Budget as an increase would be entirely sufficient to meet all the demands being made upon them.

Mr. CARTER. Does the gentleman have any information as to the amount of Mr. Klein's request on the Budget Bureau?

Mr. BYRNS of Tennessee. The original department estimates are about the sums I have named to the gentleman from Connecticut.

Mr. GARNER of Texas. Will the gentleman yield so I may ask a question with reference to the authority of departments to make recommendations? The Appropriations Committee can call different heads of bureaus or the heads of departments before them and make inquiry of them as to what they think is sufficient.

Mr. BYRNS of Tennessee. Undoubtedly.

Mr. GARNER of Texas. So Congress is not excluded from securing the necessary information.

Mr. BYRNS of Tennessee. Undoubtedly not; and my reply to the gentleman from Connecticut was not intended to convey the idea that Congress could not and did not get this information. As I understand it, under the custom prevailing in the departments at this time, heads of bureaus are not permitted voluntarily to present and urge figures over and above those submitted by the Director of the Budget. Of course, there is no disposition to withhold that information from the committee or from the Congress.

Mr. OLIVER of Alabama. I think the gentleman, who has no doubt read the hearings, is impressed with the fact we did undertake to bring out from Doctor Klein, as well as from the Secretary, the full facts in reference to what that department is doing and the valuable work that is performed by that bureau.

There was no effort upon the part of the committee to suppress any information that would give to the committee the valuable work that is being done.

Mr. BYRNS of Tennessee. That is true, and I take this occasion to compliment the gentleman from Alabama [Mr. OLIVER], the gentleman from Pennsylvania [Mr. SHREVE], the gentleman from New Jersey [Mr. ACKERMAN], and the other members of the subcommittee on the full and able hearings upon this bureau and the other bureaus coming within their jurisdiction. If Members will take the time to read the hearings on this particular bureau, they will be very much enlightened and interested.

Mr. HOCH. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. HOCH. Mr. Chairman, the gentleman has spoken about the great service rendered by this bureau to business and industry. I agree with all of that. The gentleman is aware that there has been a disposition upon the part of certain gentlemen speaking for the agricultural interests to criticize the extension of the work of this bureau to take in matters referring directly to agriculture. As coming from a strictly agricultural district, I say that it seems to me that is a shortsighted policy. If there is anything that American agriculture needs, it is just the sort of work in finding world markets that this bureau is doing; and instead of objecting to their work, agriculture ought to heartily welcome the work of these experts in salesmanship and all that sort of thing across the water.

Mr. BYRNS of Tennessee. I agree with the gentleman, and I shall speak in a moment of one instance in which this bureau has rendered a great service to agricultural interests which happened to come under my personal attention. This bureau does not undertake to interfere with production, which belongs exclusively to the Agriculture Department. Its only interest and the only work that is done with reference to agricultural products is what it is doing with respect to manufactured products—attempting to find markets in foreign countries.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. LAGUARDIA. Do the heads of bureaus when called before the gentleman's committee speak freely, or is it considered a part of insubordination to take issue with the recommendation of the Budget?

Mr. BYRNS of Tennessee. Oh, no; not at all. There is no hesitancy, of course, in giving the committee all the facts.

Mr. LAGUARDIA. I was wondering whether the custom had not grown up through the department, when one was called before the Committee on Appropriations, to confine oneself to the limit set by the Budget Bureau.

Mr. BYRNS of Tennessee. That is all, of course, that they ask for, but they do not hesitate to speak of the needs of their departments, and if the gentleman will read these hearings I

think he will find that the director has stated clearly and emphatically to the committee that he will not be able to carry out the purposes of that bureau unless he is given more money.

Mr. SCHNEIDER. Is it not true that the Director of the Budget makes up his figures before the information is given to the gentleman's committee?

Mr. BYRNS of Tennessee. That is true. It is done before the hearings; yes.

Mr. SCHNEIDER. Where does the director get his information other than from dead figures a year ago to make up his figures?

Mr. BYRNS of Tennessee. I do not know just how far the Director of the Budget goes in the way of investigation in coming to conclusions as to what sum should be proposed. Whether he goes into the full facts and full details of the work to be accomplished and expected to be done, I do not know. As I said a while ago, primarily the Director of the Budget is interested in the figures. He is interested in holding down the Budget to within the financial program of the President. He is interested in setting a limit beyond which the bureaus and the departments shall not go.

One of the most important functions of this bureau is the distribution of lists of foreign buyers of American products to the trade at home. Last year 416,000 of these lists were distributed, which was an increase of 130 per cent over the preceding year. I am told that these lists are compiled in the bureau as rapidly as the necessary data is received from the hundreds of foreign offices of the Departments of State and Commerce and are then distributed to the trade. It is clear that this distribution should be made within 48 hours of the receipt of the information in Washington if it is to prove of the greatest value to the trade, but at this moment the work has piled up to such an extent that there are now about 220 large lists awaiting compilation and distribution. It is stated that if no more new work of this sort were undertaken by the bureau and no new reports received from field offices, 32 days of continuous work would be required to put out the lists of foreign buyers for which information is already at hand.

A similar situation exists in that highly important branch of the foodstuffs division, the tobacco section. I happen to have more than a passing knowledge of the work of this very excellent section and, if I may be permitted to say so, have contributed considerably to its formation. As a result of the demands of the large tobacco cooperative associations of the United States this tobacco section was formed, with an expert in charge who was nominated by the cooperatives. I happen to know something of the very great value of the work of this section to the farmers of this country who grow tobacco. It has been most valuable in the collection and publication of information hitherto not available to the farmer, and has also been the direct means of contact between the foreign representatives of the cooperating marketing associations and the tobacco-consuming countries of Europe.

The marketing of tobacco in European markets is perhaps the most difficult problem which confronts any American exporter. This is the result of the almost universal system in Europe whereby tobacco sales are controlled by a rigid State monopoly, which means that the exporter must sell to a government agency. It has been found that these government agencies are difficult of approach by an individual salesman or representative of an American association, while on the other hand the official standing and prestige of our commercial attachés makes it an easy matter to present favorably the case of the tobacco exporter. As an example of the special service this section has been giving to the cooperatives, I might mention that last year a trip was made to Europe by a commission which was composed of representatives of all the tobacco-marketing organizations in the country. Before starting on this journey the commission appealed to the Secretary of Commerce, who delegated the tobacco expert in charge of the tobacco section to accompany the commission, facilitating their contacts with the government agents in the various countries and through them with those in charge of the tobacco monopolies of the various European Governments. The results of this work were of very great value to the tobacco farmers, and the Department of Commerce is entitled to very great credit for what was accomplished.

In view of the aid which this bureau has given to the tobacco farmers, I have very greatly regretted to learn that the work of that section is so far behind and so congested and the staff so small that if it stopped all new activity at this moment it would be fully occupied for four months in turning out the work on hand.

I am told that there is a similar situation in other important work of the bureau because of this same serious discrepancy between its funds and the very rapid growth of demands on it from producers and merchants. The trade in canned goods, for example, which affects every locality where vegetables and fruits are raised in bulk; the trade in lumber, which is so important in my own State and in vast stretches of the South and Northwest; in citrus fruit; in poultry products; hardware; groceries; and many other lines—in fact, a group whose exports last year exceeded \$694,000,000—all are now on the waiting list of this bureau for more service of the sort now being given to the limit of the bureau's resources to other trades.

These are some of the reasons which have forced me to conclude that there ought to be a greater increase of appropriations than 3 per cent to take care of an increase in business of 113 per cent. An increase of 15 per cent in some of the activities of this bureau, which would be small in comparison with the increase in some of the Government's activities, would no doubt enable it to function to the fullest advantage and would redound to the interest of our domestic and foreign commerce, greatly increasing our trade in foreign countries. It is axiomatic to say that anything which increases our foreign trade benefits the people as a whole and increases our general prosperity, for it will give wider opportunities for labor and better home markets for agriculture.

I wish to repeat that at this time when the war-torn countries of Europe, which before the war enjoyed such a large foreign commerce, are recovering from the effects of the war and are reaching out through their foreign service for their old trade in all the markets of the world, it would be very poor economy

for our Government to fail to increase its effort to garner more of this trade for American products. After all, the real question before us, one which lies behind this appropriation, is whether these legitimate and proper demands from the taxpayer for service on which he can collect, so to speak, a dividend on his capital, are to be granted and the people and the National Treasury to be thus benefited, or whether the work of this bureau is to be stifled and its further growth retarded at this crucial point in its existence. [Applause.]

Mr. SHREVE. Mr. Chairman, I yield five minutes to the gentleman from New Jersey [Mr. ACKERMAN].

Mr. OLIVER of Alabama. Mr. Chairman, I also yield the gentleman five minutes.

Mr. ACKERMAN. Mr. Chairman, and members of the committee, I am venturing to invite the attention of the committee to some facts in regard to our foreign and domestic commerce.

From the Statistical Abstract, edition of 1923, supplemented by the preliminary figures of 1924 which have been obtained from the bureau, the excess of exports over imports for 1924 was around \$1,075,000,000, which is two and one-half times that of last year, and which shows an export balance per day of almost \$3,000,000.

Total exports, foreign and domestic, for 1924 were approximately \$4,650,000,000, an increase of about \$560,000,000; in other words, our foreign commerce increased at least \$1,600,000 a day in 1924 over 1923.

I believe it will be of value to readers of the RECORD to insert here the imports and exports of the United States since 1909:

Merchandise imported and exported, and the annual excess of imports or exports; specie values, 1909-1924

Year ended—	Exports			Imports				Total foreign trade exports and imports, 1,000 dollars	Excess of exports over imports, 1,000 dollars	Excess of imports over exports, 1,000 dollars
	Domestic, 1,000 dollars	Foreign, 1,000 dollars	Total, 1,000 dollars	Free, 1,000 dollars	Dutiable, 1,000 dollars	Total, 1,000 dollars	Per cent free			
1909.....	1,638,356	24,655	1,663,011	599,557	712,363	1,311,920	45.7	2,974,931	351,091	.....
1910.....	1,710,084	34,901	1,744,985	755,311	801,636	1,556,947	48.5	3,301,932	188,038	.....
1911.....	2,013,549	35,771	2,049,320	776,973	750,253	1,527,226	50.8	3,576,546	522,004	.....
1912.....	2,710,320	34,002	2,204,322	881,671	771,594	1,653,265	53.3	3,857,587	551,057	.....
1913.....	2,428,508	37,378	2,465,884	987,524	825,484	1,813,008	54.5	4,278,892	652,876	.....
1914.....	2,329,684	34,895	2,364,579	1,127,503	706,423	1,833,926	59.5	4,258,505	470,653	.....
1915.....	2,716,178	52,411	2,768,589	1,033,527	640,643	1,674,170	61.7	4,442,759	1,094,419	.....
1916.....	4,272,178	61,305	4,333,483	1,492,647	705,236	2,197,883	67.9	6,531,366	2,135,600	.....
1917.....	6,227,164	62,884	6,290,048	1,848,841	810,514	2,659,355	69.5	8,949,404	3,630,693	.....
1918.....	5,838,652	81,059	5,919,711	2,118,599	827,056	2,945,655	71.9	8,865,367	2,974,056	.....
Dec. 31:										
1918 (6 months).....	3,122,534	53,327	3,174,861	1,146,543	338,666	1,485,209	77.2	4,660,070	1,689,652	.....
1919.....	7,749,816	170,610	7,920,426	2,698,703	1,205,662	3,904,365	69.1	11,824,791	4,016,061	.....
1920.....	8,080,481	147,535	8,228,016	3,117,011	2,161,471	5,278,481	59.0	13,506,498	2,949,534	.....
1921.....	4,378,928	106,103	4,485,031	1,562,292	946,856	2,509,148	62.3	6,994,179	1,975,883	.....
1922.....	3,765,091	66,086	3,831,177	1,871,917	1,240,830	3,112,747	60.1	6,944,524	719,030	.....
1923.....	4,091,146	78,774	4,169,920	2,135,902	1,655,973	3,791,875	56.3	7,959,795	376,045	.....
1924, approximate.....	4,550,000	100,000	4,650,000	.....	.....	3,575,000	57.6	8,225,000	1,075,000	.....

Last year Great Britain held a wonderful exposition for the increase of foreign trade at Wembley just outside London, an exposition upon which upwards of £20,000,000 was spent. While no direct dividends in cash were declared, yet the indirect results were so valuable that the exposition is to be held again this year. This was a remarkable testimonial to the beneficial results that came from the holding of this trade fair showing what the Empire and its colonies could produce and how varied and vast were the resources of the Empire. I attended this exposition and was much interested in seeing the wonderful array of exhibits contained therein.

We must very carefully consider the effect of reviving European competition. I am reliably informed that the industrial revival, particularly in Germany, has been so astonishing, that American exporters have hardly recovered their breath after finding that the Germans have regained the biggest part of their foothold in Latin America, which was temporarily lost to them during the war. This situation must be watched continually and their efforts must be matched by increased activity on the part of our foreign representatives. At this particular time the export trade of the United States is most prosperous and the position of our world trade is admirable. An analysis of world trade during 1924 as compared with 1913 discloses the fact that the United States export trade has increased in value almost 70 per cent, while the import trade during the same years shows an increase of over 110 per cent. This represents a substantial gain, even after allowance is

made for the heavy war-time inflation of prices. The increase is the more remarkable when it is remembered that almost all of the countries of the world have shown relatively increases in trade values, while a certain number have actually shown decreases.

In the district which I have the honor to represent are located manufactories having world-wide points of distribution for their products, and the hold they have in the markets of the world must be maintained if they are to keep up home activities and thus keep steadily employed therein the thousands of employees now earning remunerative wages. In passing, may I say have seen the products of these factories in the markets of Habana and Nassau; Alexandria and Ismailla; LaGuaira and Barbados; Santiago and Montevideo; Tokio and Klotto; Canton and Mukden; Bergen and Stockholm; Copenhagen and Petrograd; Manila and Penang; Benares and Lahore; Athens and Brindisi; Malaga and Marseille; Algiers and Malta; Canton and Nikko; Liege and Strasbourg; Hamburg and Edinburgh; and many other places.

I know how necessary it is for the United States of America to be properly and adequately represented in the diplomatic and commercial activities that are going on at all points if we are to hold our own with the intensive and expanding activities of our principal competitors.

Let us see what the Bureau of Foreign and Domestic Commerce in Washington and its nine district offices in the United States has done during the periods indicated in answering commercial inquiries.



Class	June 27, 1921, to July 1, 1922	July 2, 1922, to June 30, 1923	July 1, 1923, to June 30, 1924
Commodity:			
Agricultural implements.....	6,210	14,014	28,353
Automotive products.....	17,674	56,232	105,459
Chemicals.....		36,934	66,601
Electrical goods.....	7,822	32,636	64,355
Foodstuffs.....	28,565	103,373	143,579
Fuel—			
Coal.....		5,356	6,711
Petroleum.....	10,877	18,566	21,371
Iron and steel.....	7,456	27,918	52,288
Leather.....	2,923	12,881	23,471
Lumber.....	10,844	26,177	37,526
Machinery.....	11,178	46,399	71,919
Paper.....	2,829	13,668	16,923
Rubber.....	4,114	14,407	19,894
Shoes.....	3,803	10,211	11,892
Specialties.....	15,948	75,023	97,860
Textiles.....	18,503	64,429	80,639
Transportation.....	5,244	15,193	20,940
Technical:			
Commercial laws.....	3,998	10,376	14,727
Finance and investments.....		7,660	13,726
General economic information.....	5,217	7,013	
Foreign trade statistics.....	10,990	23,530	28,711
Foreign tariffs.....	16,300	19,764	25,730

The wealth of the United States of America is \$320,000,000,000. The total cost of the Bureau of Foreign and Domestic Commerce as allowed by the Committee on Appropriations is \$2,919,064.

Fund	Present appropriation	Original estimates for 1926	Increases re- quested	Budget Bureau recom- mendations	Increase over present appropriation
Commercial attachés.....	\$278,136	\$350,000	\$71,864	\$315,861	\$37,725
Promoting commerce:					
Europe.....	412,600	478,000	65,400	432,600	20,000
Latin America.....	248,040	343,000	94,960	248,040	
Far East.....	238,544	290,500	51,956	243,734	5,190
Total.....	1,177,320	1,461,500		1,240,235	62,915

The membership of the House can thus see that the entire cost of the Bureau of Foreign and Domestic Commerce is not a half cent for every \$1,000 worth of property in the United States, according to the last 1922 census, or a 2-cent postage stamp for every \$4,000 worth of property. Just think of that! Less than 50 cents for every \$100,000 worth, or a \$5 bill for every million dollars' worth of property! And yet the bureau reports wonderful dividends accruing to the national wealth by the expenditure of that money.

Doctor Klein tells us an example of the returns to the taxpayer on his investment, the new office of the bureau which was opened up in Ottawa late in 1924. This office cost the taxpayer \$4,000 from the date of its opening in September, 1924, until the beginning of 1925, and during that period new business was secured as a direct result of the establishment of that office to the amount of \$101,000—about 2,500 per cent return on the investment. Another example is that of the Johannesburg office in South Africa. During the fiscal year 1923-24 this office cost \$21,000 and returned \$750,000 in new business.

At this point, under leave to extend, I append certain sections of the hearings:

RESULTS ACHIEVED BY THE COMMERCIAL ATTACHÉS OF THE BUREAU OF FOREIGN AND DOMESTIC COMMERCE IN 1923-24

"We particularly appreciate the services rendered by Mr. Charles A. Cunningham (commercial attaché) in calling our attention to the character and reputation of the parties with whom we were dealing in Madrid. Every statement made by Mr. Cunningham has been proven to be correct, and we have been able to take such steps as were possible to properly protect and safeguard our interests. You can better judge of the value of Mr. Cunningham's services to us when you understand that we had investigated the Spanish concern through ordinary channels and had not received any report derogatory or unsatisfactory concerning them. Had it not been for Mr. Cunningham's timely intervention, accurate information would probably have reached us too late to be of value." (Involved contract for \$250,000; a large American construction concern located in New York.)

Through the assistance given by the commercial attaché at Santiago, Chile, an American automobile company secured as agents for Chile a firm that has thus far sold or have on order 18 cars which average at New York \$3,000 each, or a total of \$54,000.

Through the intervention of the commercial attaché at Berlin, an import license was given a firm to import 100 engraving machines from America. Each machine sells for \$400, which would make a total purchase of \$40,000.

A firm in Czechoslovakia importing 300 metric tons of dried milk each year from the United States was advised by the customs authorities that this product would be subject to certain heavy restrictions, which would have prohibited the importation of this product into Czechoslovakia. The commercial attaché took the matter up very energetically with the customs authorities and within 24 hours was assured that this product would be admitted without such discriminatory limitations. This one firm imports \$56,000 worth of dried milk yearly.

Through the assistance of the commercial attaché at Habana, Cuba, a settlement was made of a claim amounting to \$12,000 by an American company against a firm in Cuba.

An American packing house products concern was having trouble with the customs authorities regarding the importation of American salted meats because of unjust or improper classification. The commercial attaché at Rome took this matter up with the Finance Ministry, whereby instructions were issued that the shipments of salted meats were to be admitted without difficulty and subject only to a slight fee per barrel.

"It is not only a pleasure but much interest and benefit to us to meet such representatives of your department, and we are simply writing you this letter to express our appreciation of the help that we thus get from your department through information gained from such representatives." (A threshing machine company of Racine, Wis.)

"The writer has just returned from a trip to various South American countries and I wish to express my appreciation of the courtesy shown to me by the commercial attachés in Rio de Janeiro, Buenos Aires, and Lima. I received very valuable information when calling on these gentlemen, and it was a pleasure to speak to them as they were very well posted on the automobile business in general in the countries to which they are assigned." (A motor truck corporation of New York, N. Y.)

"Having just returned to Dayton this week, I wish to take advantage of the very first opportunity of writing you of my great appreciation of your splendid cooperation and assistance which you and the members of your staff rendered me during my stay in Rio de Janeiro. The Department of Commerce is to be congratulated for having men like you and your assistants for carrying on the big work of increasing American business in foreign countries." (A taxi fare register company of Dayton, Ohio.)

"We write to tell you that this is a most interesting and instructive report, and we have read it with much interest and profit and desire to congratulate and compliment Mr. Feely (commercial attaché) on having submitted such a well-rounded and comprehensive report from the import trade situation of Argentina as existed on May 12." (A steel company, Birmingham, Ala.)

"I want to express to you in behalf of — since appreciation of the efforts that Mr. Hall (acting commercial attaché, Constantinople) has made as to the representative of the Department of Commerce as well as personally to assist them in their work here. This assistance has been of value because it has not been in the least perfunctory, but has been characterized by an apparent special and personal interest in attending to every call for his advice or action; as, for example, the telegraphic arrangements made by him for transportation and accommodations for our agent's trip from Constantinople to Teheran, a service which, under the circumstances now existing, it would have been difficult to obtain through any private agency.

"Speaking from experience, I do not hesitate to say that if American enterprise is unable to accomplish anything here (and I hope it will be), it will not be because it has not had full support from your department." (A construction company of New York, N. Y.)

"The commercial attaché was especially helpful in the closing months of our representative's stay in Warsaw in furnishing interpreters when necessary, allowing meetings with the Polish officials to be held in his office, and supplying valuable information as to the state of affairs in the various ministries." (A radio company of New York, N. Y.)

"I think I mentioned in my report that my efforts in getting this information were greatly assisted through the services of the United States commercial attaché's office in Berlin. I would, however, just like to add that I found all the men at this office most desirous of giving every assistance. I also found they seemed to know where to get hold of the necessary information, and that they gave me the impression that no trouble would be too great in obtaining information which would be of material assistance toward promoting American business." (An office-device company of Cleveland, Ohio.)

"Recently I made a trip through several of the European countries, including France, Belgium, Holland, Germany, and the British Isles, in the interests of my company. I had a letter of introduction, signed by yourself, to various commercial attachés, and I want to commend

to you the gentlemen in charge of these foreign offices and to especially bring to your attention the efficiency and courteousness of the agent and his secretary at Brussels, Belgium. It was very largely through the efforts of Mr. R. L. I. de Wael, secretary to Mr. Samuel Cross, that I made very desirable business connections in Belgium and through which we expect to do considerable business." (A fisheries company of New York, N. Y.)

Mr. SHREVE. Those points particularly in the work of our commercial attachés are what I want to show.

(The statement referred to is as follows:)

RESULTS OF SERVICES RENDERED IN 1923-24 BY THE BUREAU OF FOREIGN AND DOMESTIC COMMERCE TO AMERICAN BUSINESS

During 1923-24 an analysis of 3,700 inquiries answered by the bureau disclosed the fact that new business was secured by American exporters to the amount of \$427 per inquiry. At this rate the total amount of new export business secured as a result of utilizing the bureau's services would be in excess of \$500,000,000.

The income tax paid into the United States Treasury on this new business would be not less than \$6,500,000, or more than twice the amount of the bureau's total appropriations for the current year.

In addition to this new business, the "preventative" services of the bureau have been estimated by a group of export managers at something more than the above amount, representing savings effected through bureau advice as to export practices.

Specific instances of business amounting to about \$2,750,000 resulting from services of the bureau to approximately 75 firms during 1924:

A New York exporting house has informed the bureau that as a result of their utilizing a single trade opportunity they have obtained business to date aggregating \$503,314, representing sales of animal oils, oleomargarine, vegetable oils, and lard in Sweden.

A Philadelphia coal company has informed the bureau that it has received an order for 40,000 tons of coal for the Egyptian State Railways as a result of a lead furnished by the bureau. The business furnished this firm was valued at approximately \$300,000.

A manufacturer of belting in San Francisco was put in a position to secure \$500,000 of business as a result of the bureau's services.

An electrical company in San Francisco informed the office of the bureau in that city that it has secured \$275,000 as a result of the bureau's valuable assistance.

An automobile manufacturing company in Texas has secured \$100,000 worth of business through the bureau's efforts.

A large firm of general exporters in New York has secured \$100,000 worth of business as a result of the bureau's services.

A firm of international merchants in New York has secured \$80,000 worth of business as a result of the bureau's services.

Through the assistance rendered by the bureau, a firm of general exporters in New York has been successful in securing business valued at \$75,000.

A copper wire manufacturer of New York has informed the electrical equipment division that it has received an order for 657 miles of wire, valued at \$75,000, as a result of the assistance received from that division.

A flour manufacturer of St. Louis informs the bureau's office in that city that he has received \$50,000 worth of business as a result of the bureau's services.

One of Chicago's packing houses informed the bureau's office in that city that it owed \$60,000 worth of business to the efforts of the bureau.

A New York exporting house has reported to the bureau that as a result of following up four trade opportunities they have secured \$22,000 worth of business.

A patent leather manufacturing company of New England was successful in securing business amounting to \$50,000 as a result of the bureau's services.

A general manufacturer in San Francisco has secured \$40,000 worth of business as a result of the bureau's services.

A Trenton, N. J., manufacturer of motor cars says that through the bureau's trade list they have been able to place their cars in Venezuela and have already sold five cars valued at \$20,000.

A wholesale seed merchant of New York states: "We have saved approximately \$25,000, as the Department of Commerce has indeed protected our interests from taking up some documents which turned out to be valueless after investigation."

Our San Francisco district office has been informed by a general manufacturer in that city that through the efforts of this bureau he was successful in securing approximately \$25,000 worth of business.

A lumber exporter of Texas was successful in securing \$25,000 worth of business through the efforts of the bureau.

A general exporter in New Orleans has secured \$25,000 worth of business as a direct result of the bureau's services.

A firm in New York manufacturing cotton textiles has informed the bureau's office in that city that it has secured business amounting to \$20,000 as a result of our services.

Our New York office was informed by a coat company in that city that it has secured \$28,000 worth of business as a result of the bureau's services.

A hosiery manufacturer of New York has secured about \$20,000 as a result of the services of this bureau.

Through the assistance of the bureau, a motor truck company of Marion, Ind., was successful in securing business to the extent of \$20,000.

A firm of general exporters in Seattle has secured business to the amount of \$20,000 as a result of the bureau's services.

A firm in Springfield, Tenn., has formed connections in foreign countries, as a result of the bureau's services, which have brought \$25,000 worth of business.

A New York manufacturer of rubber goods secured a trial order for two dozen tires amounting to \$168.17, as a result of information furnished by the trade commissioner at Calcutta. On receipt of this material in India, the foreign firm placed a duplicate order, including some additional stock.

Through the assistance of the trade commissioner at Melbourne and the St. Louis district office, a chemical concern in the latter city received an order for 500 gallons of butter color valued at about \$1,400.

A machinery company in St. Louis states that as a result of the bureau's services it has received \$5,000 worth of business.

A Kansas City, Mo., machinery manufacturer says that the bureau's services has sold him \$10,000 worth of business.

A brass manufacturing company of St. Louis states that it has received \$3,000 worth of business as a result of the bureau's services.

A company in Fairfield, Ill., informs the St. Louis district office that it has secured \$5,000 worth of business as a result of the bureau's services.

A trading company of St. Louis has received \$1,000 worth of business as a result of the bureau's services.

A chemical company in Memphis states that \$1,100 worth of business has been received as a result of the bureau's services.

A firm in Mayfield, Ky., has written that it has received \$5,000 worth of business as a result of the bureau's services.

As a result of a trade opportunity passed out by our Seattle office, a local concern has sold \$6,500 worth of flour to a firm in China.

A general exporting concern in New Orleans states that it has received \$10,000 worth of business as a result of the bureau's services.

A New York company manufacturing tools has secured \$1,000 worth of business as a result of the bureau's services.

A company manufacturing clocks in New York has been able to secure business to the extent of \$10,000 with the aid of the bureau.

A specialties manufacturer in Vermont was able to secure \$1,500 worth of business through the bureau's efforts.

A mail-order house in Chicago was able to secure \$1,000 worth of business as a result of the bureau's services.

A manufacturer of automotive equipment in Indianapolis secured \$1,500 as a result of the bureau's services.

A New York tire manufacturer has secured \$10,000 worth of business as a result of the bureau's services.

Our New York office was informed by a tire patch company in that city that as a result of the bureau's services it has secured business amounting to approximately \$2,625.

A manufacturer of burlap bags in New York has secured \$10,000 as a result of the bureau's services.

A firm of general exporters in New York informed our office in that city that it has secured \$500 as a result of the bureau's assistance.

A manufacturer of filing equipment in Michigan has secured \$1,000 worth of business as a result of the bureau's services.

A rubber company of New England was able to secure business amounting to approximately \$1,200 as a result of assistance rendered by the bureau.

A manufacturer of paints in New England was successful in securing \$5,000 worth of business as a result of the bureau's services.

A manufacturer of bicycles in New England has secured \$1,000 as a result of the bureau's services.

A manufacturer of elastic in New England has secured \$10,000 worth of business as a result of the bureau's services.

Our New England district office was informed by a rubber shoe company in its district that business amounting to approximately \$3,500 as a result of services rendered by the bureau was secured.

A flour milling company in Texas was successful in securing \$10,000 worth of business through the bureau's efforts.

A general exporter in Seattle was able to secure \$2,000 worth of business as a result of the bureau's services.

A general exporter in New York has secured \$4,985 as a result of the bureau's services.

A paint and varnish company of New Orleans has informed our office in that city that as a result of services rendered by the bureau it was successful in securing business to the amount of \$6,700.



A firm of general exporters in New York has secured about \$15,000 worth of business as a result of the bureau's assistance.

A New England button manufacturer has secured \$1,200 worth of business as a result of the bureau's services.

Our New York office was informed by a machinery manufacturer in that city that business amounting to \$9,000 was secured as a result of assistance rendered by the bureau.

A firm of general exporters in New York informed our office in that city that it has secured \$1,500 worth of business as a result of the bureau's efforts.

A machinery manufacturer of New York has secured business to the amount of \$3,600 as a result of the bureau's services.

A Trenton, N. J., rubber company was successful in obtaining orders valued at \$4,275 through the assistance rendered by the bureau.

A Brooklyn casting manufacturer has secured business amounting to \$600 as a result of the bureau's services.

As a result of the assistance rendered by the Division of Commercial Laws, a New York exporter has been able to collect \$1,230 from a firm in Copenhagen.

Through the assistance of the Commercial Laws Division a New York manufacturer of filing equipment was able to recover goods valued at \$2,200.

A firm in New York has stated that the Commercial Laws Division was of assistance to them in collecting \$16,000 from a firm in Peru.

A New York exporter of cigarette papers states: "Because of the trade lists you have furnished us in the past, we have worked up a business in one market which is around \$8,000 to \$10,000. Recent trade lists for other markets which we have used are beginning to show results, but in a mild way, for instance, only a few days ago, an initial order in a new market for \$125 was received."

A New York exporter of foodstuffs says: "We have received some very fine business as a result of your cooperation, and if we had to send a representative to the different countries where we have sold, we should say that it would have cost us anywhere between \$5,000 and \$10,000. Only this week we received an order amounting to \$1,600 as a result of your leads to us."

A California exporter states that he can trace business to the amount of \$12,000 as a result of trade lists furnished by the San Francisco office.

A New York manufacturer of motor car replacement parts states that so far during 1924 he has received 100 orders for more than \$12,000 worth of material as a result of lists furnished by the bureau.

A firm in Rockford, Ill., has informed the Agricultural Implements Division that as a result of a trade opportunity it has secured an initial order amounting to \$5,000.

The lumber division has been informed that as a result of a trade opportunity circulated by it a firm in Seattle has secured an order for \$3,000 worth of material for shipment to England.

A firm of general exporters in New York states that they have received a cabled order for accessories amounting to \$500 as a result of a trade opportunity published by the bureau.

A New York firm reports that as a result of their securing one trade opportunity from the bureau they received an order amounting to \$800.

A New York firm writes that as a result of the bureau's trade opportunity service they have sold foodstuffs in Copenhagen, Denmark, amounting to \$15,000.

A New York firm reports that on one trade opportunity they have sold in Cuba lots of foodstuffs amounting to "\$2,000 and upward."

A San Francisco firm reports having received an order for dried fruit and canned fish amounting to \$157. This is a small sample shipment, and the foreign firm is asked to represent the American exporter permanently, from which connection valuable business should result.

Another San Francisco firm reports having sold coffee amounting to \$813, with further business expected.

A firm in Rochester, N. Y., reports that as a result of their securing a bureau trade opportunity they have secured business amounting to \$3,230 up to the present time.

On the basis of the returns secured from these companies it was evident that the bureau had an important part in getting business last year of about \$529,000,000 for American firms on an investment by the taxpayer of about \$2,600,000; in other words, more than one hundred and fifty times as much as was actually put into our funds.

#### TAXES PAID INTO TREASURY AS RESULT OF TRADE SECURED

Now, to answer the question of Mr. OLIVER as to what the Treasury got out of this. Estimates as to taxes paid into the Treasury, of course, vary widely, depending on the business, but even on a very conservative estimate the Treasury received in taxes on that business not less than \$7,000,000. That is a very low estimate, as a matter of fact; and members of the staff of the Budget Bureau, when I gave them that figure, proceeded to do some calculating of their own, and instead of

\$7,000,000 their estimate was several times that total returned to the Treasury.

That is the evidence of actual dividends paid into the National Treasury. It is not imaginative guesswork as to what we might have done. Even if you cut that in two and bring the estimate down to \$280,000,000, with an investment of \$2,600,000, you have one hundred times as much actually coming into the country in business.

Mr. Klein further informs us that the appropriations granted for various raw material investigations by the Department of Commerce have been used in scientific trade analyses covering nitrates, rubber, sisal, and tanning materials, as follows:

#### CRUDE RUBBER

The crude rubber survey, established to report upon the possibility of developing new sources of crude rubber, has progressed as follows: The reports of the four field parties investigating the Philippines, the Middle East, the Amazon, and the Caribbean regions have now been submitted to the rubber experts in Washington, and the work of editing these reports in form for publication is steadily advancing.

The force of investigators have been released from duty and the remaining work will be handled by the office force at Washington, which, in addition to editing the voluminous reports, has also been engaged in collecting information concerning rubber, balata, gutta percha, and chicle production in all the countries not covered by investigating parties.

The Middle East, Amazon, and Philippine reports are now nearly ready for publication, and they will be followed by the Caribbean and African reports.

One American company has taken active steps looking toward development of rubber plantations in Liberia and the Amazon, and another company is contemplating the mixed culture of bananas and rubber.

The United States Army and Navy are greatly interested in the possibilities of planting rubber in the Canal Zone and are considering this possibility as a result of the publication of these investigations.

All of the large American rubber manufacturers have commended the crude rubber studies and have pointed out the fact that definite facts and information on this subject are almost impossible to obtain from any other sources.

#### NITROGEN

The nitrogen surveys have been very widely commented upon and have been of unusual help to the United States Government itself through the Government's interest in the possibilities of production of fertilizers at such plants as that at Muscle Shoals. One authority on nitrogen has said that this survey is "certainly the finest thing on this subject which has yet appeared." The representative of a large organization interested in nitrates and the production of fertilizers states that he "was impressed both with the value of the information and with the impartial tone."

As a result of these investigations there have been published, in addition to the report on "Nitrogen Survey: Part I, Cost of Chilean Nitrate," issued in January, 1924, three other bulletins—No. 226, being a comprehensive study of the nitrogen situation in the United States; No. 240, a survey of the technical development and economic aspects of the air-nitrogen industry of the world; and No. 270, a nitrogen survey of European countries.

#### SISAL

The results of the sisal investigation carried out in Yucatan were embodied in Trade Information Bulletin No. 200, entitled "Sisal: Production, Prices, and Marketing." A prominent trade journal commented at some length on this study, bringing out the fact that "This report goes into some detail regarding the production of sisal in Mexico and includes an investigation into the distribution under the present cooperative, the Comision Exportadora de Yucatan, and its exclusive sales agents, the Sisal Sales Corporation. It was undertaken under an appropriation authorized by Congress to the Department of Commerce for the purpose of inquiring into the foreign sources of essential raw materials produced or sold under monopolistic control."

#### TANNING MATERIALS

The study of tanning materials was another of the raw material surveys which was received so favorably by American business. The president of the largest tanners' association in the United States, speaking of this survey says: "I regard this as one of the most important contributions we have had in recent years on the subject of raw materials used by the leather industry."

Information concerning domestic sources of tanning materials and our growing dependence on foreign sources, as well as statistical data on the production and consumption of such materials was published in Bulletin No. 167, "The Problem of Our Commercial Independence in Tanning Materials." In consequence of the suggestions in this report Congress made an appropriation for a survey of the



stands of chestnut timber and a study of the spread of the blight and methods of resisting it. Bulletins have also been published on "Wattle Culture," "Quebracho, Chrome Ore, and Chrome Salts." Analysis are being made of samples of new tanning materials received from Mexico and Central America, with a view to their utilization by American tanners.

#### NECESSITY OF ADDITIONAL INVESTIGATIONS IN 1925-26

There are many additional raw materials controlled by monopoly which should be investigated. Among these are tin, production of which is controlled by British capital, while we import \$63,000,000 worth annually; coffee, controlled by Brazil through valorization, while we import \$116,000,000 worth annually; miscellaneous chemicals such as quinine, arsenic, China wood oil, and gums, resins, and lacs; and miscellaneous minerals such as lead, tungsten, quicksilver, chromite, and molybdenum. There are, further, many additional raw materials which, though not controlled by foreign monopolies, should be investigated because of the necessity of complete and reliable information to interested American industries. Among these products are wool, of which we import \$163,000,000 worth annually; and silk, \$400,000,000 worth annually.

#### AGRICULTURAL PRODUCTS

The studies undertaken on world trade in farm products were included under this act which provided for "The investigation of related problems in the development of the foreign trade of the United States in agricultural products." Bulletins issued, or in the process of printing, total about 20 and cover such topics as: Volume and direction of the exports of staple agricultural products from the United States; character and volume of our imports of similar products; trade practices of the export market; competition in overseas trade in farm products; economic conditions in the principal consuming countries which affect the demand for our farm products.

I also insert in my remarks at this point the exports from the United States of the leading products for four calendar years:

Exports	1924	1923	1922	1921
Cotton.....	\$970,000,000	\$807,102,507	\$673,249,613	\$534,241,795
Breadstuffs.....	450,000,000	311,302,358	515,911,836	758,397,520
Provisions, etc.....	300,000,000	361,136,213	302,156,552	345,430,403
Cottonseed oil.....	4,500,000	5,255,640	7,287,142	24,361,974
Petrol, etc.....	415,500,000	349,810,881	330,911,586	383,680,003
Total.....	2,140,000,000	1,834,607,599	1,829,516,729	2,046,111,685
All other articles.....	2,510,000,000	2,333,338,722	2,002,260,740	2,438,919,841
Total.....	4,650,000,000	4,167,946,321	3,831,777,469	4,485,031,526

When I had the pleasure of addressing the committee upon the consideration of this bill a year ago, the countries whose exports exceeded imports only amounted to 14 in number. Owing to the improved condition of world trade there are now 32 countries, according to the latest available statistics, whose exports exceeded their imports, and the total amount of these exports equals \$1,286,000,000.

These countries are scattered all over the face of the globe, and include such far-away places as British India, Java, Cuba, Canada, Brazil, Egypt, Australia, New Zealand, Belgian Congo, French Indo China, Paraguay, Peru, Russia, and Venezuela. But, in spite of this tremendous total, the exports from the United States almost equals this huge amount, and if we leave out of consideration the exports of British India, which total \$312,000,000, the United States exports over imports exceeds the total of all the other countries in the world. Those countries who have the greatest export balance at the present time over imports and their order of precedence are British India, Java, Cuba, Canada, Brazil, and Egypt.

The total amount of imports of all the countries in the world, exclusive of the United States, according to the latest available statistics amounts to \$22,290,000,000 and the exports to \$19,745,241,000, a total of \$42,035,241,000, but that is just about what our internal commerce amounts to at the present time! For the extension of this domestic trade, which undoubtedly can be largely increased, the Bureau of the Budget has allowed an additional \$25,000 this year, making in all \$75,000 for the purposes of extending activity along these lines in the year 1925 to 1926. True this is an increase of 50 per cent over last year, but it is an expenditure of less than \$2 per million dollars of domestic trade and less than a silver quarter, or 25 cents per million dollars of national wealth for this purpose.

Taking the world by and large, for every million of population there is approximately thirty millions of import and export trade, but our statistics show that we do more than twice that average or sixty millions of export and import trade for each 1,000,000 of inhabitants. For that reason we must nourish

these conditions by making adequate appropriations from time to time in order to sufficiently provide for our agricultural, mining, and manufacturing activities.

Secretary Hoover gave his views on certain phases of our Nation's business while addressing the National Distributing Conference of the United States Chamber of Commerce on January 14, 1925. As many of his references are pertinent to the subjects I have been discussing, I append extracts from his remarks at that time.

The outstanding problem of our distribution system can be easily summarized in one question.

Can we reduce the margin between our farmer and manufacturing producers on one side and our consumers on the other?

I am convinced that we can. I believe that it can be done without reduction of wages or legitimate profits. I believe that in doing so we can make the greatest contribution to the improvement of the position of our farmers and that we can make a contribution to lowered cost of living. I believe it can be done by voluntary cooperation in industry and commerce without governmental regulation. It can be expedited by an extension of the friendly assistance of the Government agencies in organization and information.

These possibilities lie in the elimination of waste. \* \* \*

The area of undue profits in the margin has been pretty well eliminated in the past two years.

I wish at once to make it clear that in speaking of waste, I do not mean waste in the sense of willful waste, but economic waste, which is the natural outgrowth of a competitive system. I do not mean the waste that any single individual can correct by his own initiative, but the waste that can only find remedy in collective action. Nor are the wastes to which I refer to be corrected by any extension of the Ten Commandments, or by any legislative extension thereof. You can not catch an economic force with a policeman.

The kinds of waste that cause costly losses may be roughly catalogued as follows:

1. Waste from the speculation, relaxation of effort and extravagance of booms with the infinite waste from unemployment and bankruptcy which comes with the inevitable slump.
2. Wastes from excessive seasonal character of production and distribution.
3. Waste caused through lack of information as to national stocks, of production and consumption with its attendant risk and speculation.
4. Waste from lack of standards of quality and grades.
5. Waste from unnecessary multiplication of terms, sizes, varieties.
6. Waste from the lack of uniformity of business practices in terms and documents, with resultant misunderstandings, frauds, and disputes.
7. Waste due to deterioration of commodities.
8. Waste due to inadequate transportation and terminals, to inefficient loading and shipping and unnecessary haulage.
9. Waste due to disorderly marketing, particularly of perishables, with its attendant gluts and famines.
10. Waste due to too many links in the distribution chain and too many chains in the system.
11. Waste due to bad credits.
12. Waste due to destructive competition of people who are in fact exhausting their capital through little understanding of the fundamentals of business in which they are engaged.
13. Waste due to enormous expenditure of effort and money in advertising and sales promotion effort, without adequate basic information on which to base sales promotion.
14. Waste due to unfair practices of a small minority.
15. A multitude of wastes in use of materials, in unnecessary fire destruction, in traffic accidents, and many other directions.

This is not emergency work as new wastes will constantly arise and permanent trade organizations are needed in each industry for their elimination.

There has been a vast amount of research into our distribution problems and many publications on them during the last few years. Many have been largely directed toward discovery and exposure of some real or supposed great crime; others have searched for a miracle panacea that would overnight effect enormous cuts in the great margin between our farmers and our consumers or between the manufacturers and their clientele. No such panacea has been found simply because there is none. There are no short cuts to progress.

Nor are we here to worry on behalf of the lady who wishes to order a cake of yeast by telephone to be delivered by a gold-colored automobile. You and I are interested in this problem solely for a better service to our producers and consumers of the primary necessities and ordinary comforts of life.

The reduction of waste means that a considerable part of our population who are busily employed in this unnecessary motion can be directed toward the production of other commodities, and thus their



addition to the national standard of living; it means a lowering in cost of living, or it means more goods for the same money. To our workers it means less labor, more time for recreation, and no attack upon wage levels; to our farmers it means an increased proportion of the consumers' dollars as the returns which he receives from his produce are subject to the deductions of the cost of marketing. If we decrease these costs by the elimination of the waste in them, we increase the return to him. To him it also means enlarged domestic consumption. Moreover, he participates also in the benefits as a consumer. To our industrial and commercial men there is an increase in stability in business and a sounder foundation under our entire business fabric. The elimination of waste is a total asset. It has no liabilities.

I wish to again emphasize that I do not believe the remedy lies in legislation except in so far as the Government may stimulate and assist our citizens to better organization for these purposes and may furnish them with fundamental information which assists in the whole question.

These are the wastes which have grown naturally into our economic system. They can only be corrected by cooperative action. Such action can be built up, first, by investigation and information; second, by conference of the producer and consumer in his various representatives and agreement to abide by the principles laid down.

Nor am I talking about abrogating the Sherman Act. I have no patience with those who deliberately try to confuse these efforts at cooperation in waste elimination with price fixing and restraint of trade. Any intelligent person who has the patience to read and think these problems through and the methods we have developed for their correction will find these efforts to be in the interest of public welfare and free from trade restraint. They are, in fact, the foundations of real competition.

In order that I may make myself more clear I propose to discuss both the theory and the practice attained in the work of the Department of Commerce as a sort of economic laboratory during the last three years. Again I may repeat that this discussion is not an entertainment for holiday people. We are here to consider underlying economic questions, tedious as they may be.

#### STATISTICS

It is a truism to say that no individual business enterprise could succeed or be conducted without waste if it does not know accurately its stocks, the volume of output or sales, the rate of stock turnover, or its orders, or the prices, assets, and liabilities, and the relation of these to previous periods. Neither can the business of a trade, as a whole, or the Nation itself, function efficiently unless it knows these very things.

Statistics are a counterpoise to "psychology" in business—an anchor of basic facts to tie to.

The gigantic waste from the boom of 1920 through the depreciation in value of excessive stocks would have been much minimized if there had been more complete information as to the volume of these stocks. For instance, prior to that time we had been competing madly in bidding up prices and building up stocks of rubber and nitrates from abroad, and coal among other things at home. As a result, both producers and consumers suffered from the tremendous depreciation of these materials. This need not have happened if the trades had had the statistical information to visualize the volume of these excessive stocks.

The fact is that the greatest waste of all our economic system is the periodic inflationary boom and its consequent ensuing slump with all their speculation, unemployment, and extravagance, for without boom there is no slump. The correction of this waste lies in the prevention of booms. No sensible business man wants either boom or slump. He wants stability. Our working folk should dread a boom above all things because it means an afterclap of unemployment and misery. Our farmers should resent a boom more than anything else that can happen in our economic system because it means that they will inevitably get the worst of the deflation which follows. Stability or instability in production and distribution is largely the result of the collective judgment of the trades. They can not form a right judgment unless they know the facts as to their own business and as to the trade as a whole. Furthermore, they must also know the probable trend of business in general as indicated by the movement in other trades.

The best protection against booms is that every business man shall have the information so that he may realize from the shifts in credit, from the movements in stocks, of production and consumption, that the economic balance wheel is moving too fast, and if every man then safeguards against danger disaster never comes.

So the first and foremost thing is to have such facts broadcasted so as to give every man that sound basis upon which his own judgment can react. Solemn statistics are the greatest preventative of speculation and profiteering ever invented. I know there are other remedies proposed for the irregularities of the business cycle but I am now discussing statistics in the long view planning (of construction work) and in the better control of credit.

The Government can do much in collection and distribution of statistical information. Indeed the Department of Commerce has greatly improved and expanded these services in the last three years. No other nation provides so complete a service to-day. It needs still greater improvement. However, a considerable part of our statistical service can be better provided by the different trades themselves than by the Government.

Right here some tormentors of progress will rise to say that the collection of statistics by the trades may be used to flimflam the public. They can be so used. They have been so used. Likewise automobiles have been used for purposes of bootlegging, but it is not necessary to suppress the use of automobiles on this account, nor is it necessary to allow them bootlegging privileges.

There is a phase of statistical service that has not been fully studied or fully explored, to which I trust this meeting will give thought. We are almost wholly lacking in the basic data as to distribution. We know our production in most important lines of activity. We know a great deal about stocks of commodities in the hands of producers. We know very little as to stocks in the hands of consumers, the area of distribution in any commodity. If we had a census of distribution, I am convinced that this information would automatically eliminate a great amount of waste in the whole distribution machinery. High pressure selling and marketing expenditure in unprofitable areas is a national waste. We do not know where these areas are to-day.

#### STANDARDS OF QUALITY AND GRADE

Next to statistics as a power to eliminate waste comes standards.

In order to have standards we must have methods of test by which the fidelity to these standards can be determined. We must have a definition of terms which we apply to these standards. We must have a formulation of specifications to express these terms. Here we enter upon involved problems of chemistry and physics and trade practice and public need and legal implications of the widest character.

Some years ago we established standards of quality in the purchase of cement by the Federal Government and at the same time we established the tests which should be applied to determine whether these standards had been fulfilled. At that time cement manufacturers were each endeavoring to establish their own standards and the consumers setting up counterdemands of performance. The consumer was unable to determine the character of the product which he received and the manufacturer had no assurance upon which to proceed in satisfaction of the consumer. The Federal standards for cement have to-day become the universal standard in both manufacture and distribution. This standard has simplified the production processes. It has simplified all contracts. The tests are well known which determine the fidelity of the manufacturer and secure him against misrepresentations from the consumer. No doubt new standards must be redetermined from time to time with the progress of industry and commerce, but every standard established carries with it an elimination of millions of waste in production, in business transaction, and waste by failure of the commodity itself. This same problem lies at the bottom of producing and marketing of agricultural produce. If we had more effective standards in perishable foods to-day we would be on the road to large savings for the farmer. The foundation of proper standards is scientific investigation and then cooperation of the representatives of the producer, the distributor, and consumer in bringing them to practical workday conditions.

These standards also extend to determination of nomenclature. For when we speak of No. 1 clears in lumber we must define what it consists of. I do not propose to burden you with the great number of standards of quality that have been established in the last three years by the Department of Commerce in cooperation with the producers, distributors, and consumers. They range through literally scores of commodities. They are the foundations upon which both fidelity and economy in our business processes revolve and are the first instrument in eliminating fraud, dispute, and costly litigation.

#### STANDARDS OF DIMENSION

We need standards not only of quality but also of dimension. Standards of quality, standards in terms, and standards in dimensions at once eliminate a vast amount of unnecessary varieties, all of which we comprehend under the term "simplification."

During the last three years the department has, in cooperation with the industries concerned, installed these simplifications in dimensions and varieties in a multitude of commodities. For instance, the dimensions of paving brick have been reduced from 68 to 5 different sizes; of rasps and files from 1,351 to 496; in wire fencing from 552 to 69; in milk bottles from 49 to 9; in lumber 60 per cent of the variations in sizes were eliminated; in hotel and institutional china the sizes and varieties were reduced from 700 to 160. These are a few instances among many, and in themselves may appear trivial, but they represent literally millions of annual savings in even this small sector of our national waste.

This particular process has a vital bearing upon the reduction of the cost of distribution. There is by these means created the possibility of more rapid turnover, less volume of stocks, and less dead stocks.



And there is an implication of this establishment of standards and elimination of unnecessary dimensions and varieties which is often overlooked. It sharpens the knife of competition, for there is much less competition between dissimilar articles than between articles of the same quality, designation, and character.

#### TRADE ETHICS

There is a problem in waste which revolves in the field of trade ethics. Unfair competition, of course, is waste, as it imposes wasteful processes and wasteful and fraudulent practices on other members of the trade and the public. It is prohibited by law. The law is, however, very obscure in determination of what is an unfair practice.

In the field of business ethics we have seen a great advance in the last two decades, and chiefly due to the effort of the better trade associations. This brings up an interesting question as to the use which might be made of trade opinion and determination of what is unfair competition. Our English common law was a crystallization into law of trade practices which antedated it many centuries, but with their crystallization into law and with the development of the industrial era, with its multitude of new methods of violating the Ten Commandments, trade opinion and custom effecting probity and fairness has had but little representation in the formulation of rules. It would seem worth considering that the voices of the large majority of a given trade might be given weight in the determination of what is unfair. It might lead to a degree of self-government of industrial and trade morals which would free us from much regulation.

I thank the committee for their kind attention.

Mr. OLIVER of Alabama. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. Box].

Mr. BOX. Mr. Chairman, I congratulate the Committee on Appropriations on the work they have done in at least continuing the appropriation for the enlargement and maintenance of the patrol along the Mexican and Canadian borders. The House will remember that by an amendment made on the floor it increased the appropriation reported by the committee last year for that service. The recommendation made by the Budget for this year involved a reduction of some \$200,000 more or less from the amount appropriated last year. Those in charge of the enforcement of the law had not expended all of the amount carried. They probably were not expending it at a rate that would have consumed it all. According to this statement, their plan of organizing this patrol was to gradually build it up, so that it would be seasoned and made up of skilled veterans. They were required to use civil-service eligibles for this work, many of whom were examined as applicants for places in the Railway Mail Service. This brought them many employees who were unsuited to the service. They say they are weeding these out and organizing a trained seasoned force. I hope they will succeed. The truth is that if the law is properly enforced on the Canadian and Mexican borders the plan that was outlined here by the gentleman from Pennsylvania [Mr. SHREVE] will probably have to be followed, but while much may have and probably has been accomplished, much remains to be done. Those two borders are something like 5,000 miles long. They run along rivers, through remote regions, through cities, mountains, brush country, and forests. The pressure against our protection there increases very much as the restrictions increase elsewhere. The number of people coming from Mexico is increasing. Sooner or later that will have to be stopped unless the purposes of our immigration laws are permitted to be defeated in large measure. I hope it can be stopped soon. I have had pending for some two Congresses a bill, many of the features of which are now in the present law, providing for the application of the quota provisions of the law to Mexico and Canada.

I think they ought to be so applied—

Mr. HILL of Maryland. Will the gentleman yield for a question? I agree with the gentleman. I think they should be applied.

Mr. BOX. The gentleman from Texas now has a bill pending before the committee making them applicable to those countries. He hopes to have hearings upon it and hopes to have it considered by the committee and soon reported, but he is not very confident as to its being reported and acted upon during this session of Congress, anxious as he is to have it done.

Mr. HILL of Maryland. My recollection of the Texas border is that it would be extraordinarily difficult to prevent any smuggling over the border on account of the exposed conditions.

Mr. BOX. The difficulties are very great. Those in charge of the enforcement law organized this patrol under provisions of the appropriation act of 1924, which provided the funds and authorized the organization. When the patrol was authorized and the funds were provided they began to build up these forces. Because of the need in other sections they did take

away some 30 to 50 men who had formerly been engaged in guard duty there and placed them on the coast of Florida and elsewhere. While they may be, and probably are, making progress, frankness compels me to say to the House, from what I know as a citizen of Texas and from my study of this question as a Member of this committee and of the House that the laws are not being adequately enforced. I think that, as quoted by the press, the Secretary of Labor overstated the number entering illegally, but that many thousands are entering in violation of law. I do not tax the department with all of the failure. I do not believe that it would be wise to suddenly throw together an organization of civil-service employees and spend two or three million dollars in maintaining the new, untrained force. I think the plan adopted by the department and by the committee to build and gradually enlarge and train the force is a wise plan. If you really enforce your liquor, narcotic, and immigration laws the force will have to be much increased. To guard a border of four or five thousand miles is very difficult when such great numbers are trying to enter as immigrants and so many liquor and narcotic peddlers are trying to sneak in. I want to say just a word, if the gentleman will permit, about the coordination of the various services there. When I first became a Member of the House and a member of that committee I was impressed by what appeared to me to be the extravagances involved in having immigration inspection, customs inspection service there, and various forces maintained under the direction of different departments and operating along these frontiers. I remember asking the chairman of the Committee on Appropriations about this during the Sixty-sixth Congress while the appropriation bill providing for this service was under consideration. I remember that he admitted that there then was, as there now is, much duplication. He explained that these several sets of officers and guards were under the direction of different departments, each of which must have, or thinks it must have, its own specially trained employees, subject to its own direction, in order to have efficiency and discipline, and that a blending of the services would involve joint employment, joint direction and administration, joint appropriations, and other complications, making it much more difficult than it appears upon hasty consideration. I believe that an earnest, persistent consideration and effort to solve this problem would accomplish much in that direction, and that such effort should be made.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHREVE. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. OLIVER of Alabama. I yield the gentleman 10 minutes.

The CHAIRMAN. The gentleman is recognized for 25 minutes.

Mr. BLANTON. Mr. Chairman and gentlemen, I believe that everyone will admit that I am in favor of saving public money. It has been rarely the case that I have ever voted for any proposition beyond the Budget estimate. I have voted with the committee consistently to sustain the Budget and the President in keeping down expenses.

I am one of those who compares every year every appropriation bill with former bills. I watch closely the changes that the House itself makes in the new supply bills each year. I watch the growing tendency to increase the amounts over in another body in the Capitol. I have been trying to find out what causes the growth in appropriation bills. They are growing. The Budget estimates are growing, and the appropriations are growing.

I have found that it is hard to keep up with the many changes without a tremendous amount of work. The supply of the appropriation bills after a year or so becomes exhausted and difficult to obtain. It is impossible sometimes to get hold of them, as they are inaccessible. You can not turn to the RECORD and find a supply bill as it was reported to the House, because it is not printed in the RECORD, and unless it is available in your office you can not get it. You can get all the amendments that the House adopts, because they are set forth in the RECORD. You can get the amendments that the Senate introduces if you keep up with it, but you can not get the original supply bill itself without a great amount of trouble sometimes.

I have never felt in my eight years here that for my own convenience the bills should be printed in the RECORD, and have not asked that it be done heretofore, although on my points of order I have knocked out some large sums. I would rather go to the hard work of looking them up, item by item, than go to the expense of putting them in the RECORD.

But this past year from the time we adjourned last June until we met again in December, at my own expense and in my own car, I went over a great portion of the United States. I



talked with many business men—big taxpayers some of them were, not Democrats, specially, but Democrats and Republicans—about the problems which we face here in the Congress. Not our problems—their problems! These problems here are not ours; only for us to solve. They are the problems of the people; and I was surprised to find that many business men who are big taxpayers are regular daily readers of the CONGRESSIONAL RECORD. There are, as you know, over 40,000 copies of the daily CONGRESSIONAL RECORD sent every day from Washington into the various districts of the United States represented by us here in the Congress.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. BLANTON. I will ask the distinguished gentleman to kindly excuse me for a few moments as I wish to get these facts in consecutive order. These 40,000 copies of the daily CONGRESSIONAL RECORD go into every district in the United States, and go to some of the most prominent people in our district, and is their only record of what we do by which they may check our actions here. They go to the country newspapers, if you please, which are really the mouthpieces of our people, because of the many men on earth you can not control and buy it is the editor of a country newspaper. He speaks his own mind in behalf of the people in whose locality he operates.

Mr. WHITE of Kansas. Will the gentleman now yield.

Mr. BLANTON. I would prefer not, if my friend will kindly excuse me, and after awhile I will yield to the gentleman when I finish my statement. Several business men in various sections said, "BLANTON, why do not you men in Congress be fair to us taxpayers. I notice that you do not put these bills you pass, taking from three to four billion dollars a year out of our Treasury in the RECORD so that we may know about the items in the large amounts Congress is spending." They said: "We know the lump sums, but we do not know the items for which they are spent. We would like to know the items. We want to know how our money is being spent. Why don't you get the Congress to be fair to us, and print all the supply bills in the RECORD and thus let us see how you are spending our money? We know how our own money is spent in our private business. Our bookkeepers and our disbursing clerks do not keep those things from us. We know exactly how our money at home is spent. Why don't you put those supply bills in the RECORD, showing how Congress is spending our billions?"

I have lately been trying to get them into the RECORD. When the Navy Department bill was first presented to the House and taken up for consideration it was in the charge of the gentleman from Idaho [Mr. FRENCH], and I insisted on that bill going into the RECORD; and I now read from the RECORD:

Mr. FRENCH. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. BLANTON. Mr. Chairman, reserving the right to object—and I think the reading of the bill can be obviated by an agreement—this bill proposes an appropriation of \$290,485,578. The Senate has just recently passed a bill granting the Navy Department another \$110,000,000. The people of the United States ought to know what is in this bill, and they will not know what is in it unless it is put into this RECORD. If the gentleman's request is granted, this bill will not be printed in the RECORD. Would the gentleman mind its going into the RECORD without being read, but as if it were read? If he will couple with his request that the bill be printed in the RECORD as if it were read, I shall not object.

Mr. FRENCH. I shall be glad to include that in my request.

Mr. BLANTON. Then I shall not object.

The CHAIRMAN. The gentleman from Idaho asks unanimous consent to modify his request. Is there objection? [After a pause.] The Chair hears none. The request of the gentleman from Idaho is that the first reading of the bill be dispensed with but that the bill be printed in the RECORD as if it had been read. Is there objection?

There was no objection.

And the bill appeared in the RECORD. Then when the big joint Treasury and Post Office Departments bill came up, it was in the charge of the distinguished gentleman from Illinois [Mr. MADDEN], who is the chairman of the great Committee on Appropriations, who managed it on the floor here. Here is what happened. That bill embraced \$763,000,000. Mr. MADDEN said:

Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. BLANTON. Reserving the right to object, would the gentleman be willing for the bill to be printed in the RECORD without reading, for the information of the country?

Mr. MADDEN. I am willing to have it printed.

Mr. BLANTON. With that understanding, I will not object.

There was no objection, and that bill appropriating \$763,180,522 appeared in the RECORD.

But when the last bill appropriating for the "Executive and independent offices" was called up, on the day before yesterday, and I wanted it to go into the RECORD so that the people back home, the 110,000,000 people of the Government who furnish the taxes to meet the expenses of the Nation, would know just how we are spending their \$452,349,617 appropriated in that bill—when I insisted on that bill going into the RECORD, the bellwether of the great Republican steering committee, who acts as a kind of bellwether for the whole Republican organization here—and he is an able bellwether—the distinguished gentleman from New Jersey [Mr. LEHLBACH], for whom we all have high regard, objected; and what was his objection? The gentleman from Illinois [Mr. MADDEN], though a prominent Republican, is not a member of the Republican steering committee. He did not object. The gentleman from Illinois [Mr. MADDEN], however, is a very fair-minded, orthodox Republican. He did not object. The gentleman from Idaho [Mr. FRENCH] is not a member of the Republican steering committee, yet he is a prominent orthodox Republican. He did not object. Mr. MADDEN and Mr. FRENCH thought it was all right. But our distinguished friend from New Jersey, who is prominently mentioned through the press as a possible candidate for the next Republican Speaker of this House—he objects. On what grounds? On the ground of economy. He says it costs money to print these bills in the RECORD. Oh, that is not the objection! Money? How much does it cost?

When this morning I asked that the present supply bill be printed in the RECORD for public information, our distinguished friend in charge of this bill [Mr. SHREVE] claimed that the printing of the last two big supply bills that were printed cost \$1,800, and therefore he said he objected. Some one told him to say that. And \$1,800 is their excuse. They were the two largest bills we have had or will have. They would cost more than any other two bills, because they contained more pages. I deny that their printing would cost \$1,800. Why, gentlemen, we have nearly 4,000 employees in our Government Printing Office working on salaries—mind you, salaries; they have got to have something to do, 4,000 of them, if they earn their salaries.

Mr. SHREVE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes; I can not deny the gentleman from Pennsylvania, who has been so kind to yield me time.

Mr. SHREVE. I take it that the intention of the gentleman's remarks is always economy?

Mr. BLANTON. Yes.

Mr. SHREVE. Does not the gentleman think that the printing in the RECORD is a waste of money?

Mr. BLANTON. No. I will tell you why. I believe it will ultimately cause us to decrease annual appropriations several hundred million dollars each year when the people become posted. Those 4,000 employees in the Government Printing Office might just as well go to work on printing this bill to-night as in printing the statement from the Secretary of State which our colleague Mr. ACKERMAN has just ordered printed in the RECORD. You might just as well have them printing this bill in the RECORD to-night as to be printing that long excerpt from Mr. Klein which our colleague Mr. ACKERMAN has just ordered printed in the RECORD. I did not object to it. The gentleman from New Jersey [Mr. LEHLBACH] did not object to that. He is possibly, as reputed, a candidate for the new Speaker, and if he is chosen Speaker I predict he will be a good one, if he continues to stand for economy.

Mr. LEHLBACH. I am neither a member of the steering committee nor to my knowledge has my name been mentioned as a possible candidate for the Speakership of this House.

Mr. BLANTON. It is reported in the press that the gentleman is a possible candidate for the Speakership, and the gentleman would make a good one if he were elected, because he is for economy.

Mr. LEHLBACH. I reiterate what I just said. However, I want to ask the gentleman whether he makes his request to have these bills printed in the RECORD for his own convenience or for the convenience of the people back home who may desire to read them?

Mr. BLANTON. That is a pertinent question, and I will answer it. For the people's benefit and not my own I am asking that these 10 annual supply bills be printed in the RECORD for the public information of the country. Now, let me call your attention to something unique. Here is what is wrong with the situation. When I asked that the "Executive and independent offices" bill, appropriating \$452,349,617, be printed

in the RECORD the other day, here is what the gentleman from New Jersey [Mr. LEHLBACH], who for the first time raised any objection to printing a supply bill in the RECORD, said:

Mr. LEHLBACH. Reserving the right to object, Mr. Chairman, I want to state that these bills are printed and copies are available to everybody in concise form.

Notice he said "everybody," and I am reading from the RECORD. Now, listen, Mr. LEHLBACH further said:

Anyone can send a page to the document room and get them and take them to his office and study them, and it is a waste of money to print these bills in the RECORD, and I object.

Can anyone send a page? No. We can send a page. We have a page here in the House whom we can send, and such bills are available to most of us. We can take them to our offices, but nobody else in the United States can send a page there and get one. He said everybody could get one. Can everybody get one? I will show you they can not do it. He is mistaken. They are not available to the public. Yet the gentleman from New Jersey [Mr. LEHLBACH] objected and prevented the bill from being printed in the RECORD.

Now, I want to show you something you possibly do not know. Here are the rules of the House. I am reading from page 424 of the rules, setting forth how such bills are printed and distributed, and the number of them. This shows that there are only 734 of these supply bills printed, although there are 96 Senators and 435 Congressmen and 110,000,000 people, and here is the way they are distributed.

Forty go to the legations; 5 go to the Library of Congress; 2 go to the Superintendent of Documents; 5 go to each of the departments of Government, except the State Department which gets 10; 2 go to the Executive Mansion; 10 go to the Secretary of the Senate; 225 go to the Senate document room for the benefit of Senators; and only 385 go to the House document room for the benefit of Members of the House, and none are available to the public. When there are 435 Members of the House only 385 copies of these supply bills go to the document room for our benefit and for the benefit of our constituents back home. How can 435 of us all send and get copies for our constituents when there are only 385 copies of them sent there to begin with for our use? Now, let me show you further—

Mr. LEHLBACH. Does the gentleman care to yield right there?

Mr. BLANTON. In just a moment. Now, let me show you that expense can not be the excuse. Talk about this expense! Why, suppose these two bills did cost \$1,800 to print them; that is only \$900 a piece, is it not? Counting the two that are before the House it makes 8 supply bills reported thus far, and we are going to have 2 more, making 10. Ten times \$900 would be a total of only \$9,000, according to your own estimate. That is a total of \$9,000 for printing in the RECORD all of the 10 supply bills in order to let 110,000,000 people in the United States know what Congress is doing with their three billion-odd dollars spent each year, and having a permanent record of the amount of money we spend and how we spend it.

Now, let me show you what tremendous sums these supply bills contained. The Agricultural bill contained \$124,637,715; the executive and independent offices bill contained \$452,349,617; the Interior Department bill contained \$238,240,926; the Navy Department bill contained \$286,385,578; the State, Justice, Commerce, and Labor bill contains \$71,598,123.77; the Treasury and Post Office Departments bill contained \$763,180,522; the War Department bill contained \$331,131,114; and the first deficiency bill contained \$157,111,700. That makes a total in these eight supply bills alone of \$2,424,635,295.77.

Now, let me ask you a question. Is it economy to save this little \$9,000? Why, the gentleman from New Jersey [Mr. LEHLBACH] voted for that Porter resolution, appropriating \$40,000, which Mr. Porter is now wasting abroad at the narcotic conference. I denounced it when you passed it as a junketing trip, and it is a junketing trip over there, costing the enormous sum of \$40,000 for a trip abroad. The gentleman voted for the Graham investigation.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. In just a few moments. I got these figures from the Clerk of the House, showing the cost of special committees for which the gentleman voted. Now, let me show you. The special committee now investigating Federal Judge Baker has spent already \$1,600; the special committee now investigating this Indian affair has spent \$5,000; the special committee on bonds has already spent \$7,000; the special com-

mittee on the Shipping Board has already spent \$14,000; the special committee on aircraft has already spent \$18,000; the Graham committee, for which the gentleman voted, spent \$151,000; the Walsh committee, for which the gentleman voted, spent \$40,000; the Anderson committee, for which the gentleman voted, spent \$42,000; the Coal Commission, for which the gentleman voted both times, spent first \$200,000 and then \$400,000, making \$600,000, and it was not worth a trip. I fought against thus wasting the people's money. The other day the gentleman voted glibly \$50,000 for the President's so-called agricultural conference, meeting on the call of the President without authority of law, when it was bunk, as so denominated by our minority leader; the gentleman also voted \$50,000 for the President's so-called oil investigation, on the recommendation of the President, which also was bunk. He did not vote against any of these appropriations. All of which money, in my judgment, has been wasted. He has voted for so many of these special matters that it would take the rest of the evening to talk to him about them, and then he talks to us about saving a little old measly \$9,000, and by his objection keeps the people of the United States from knowing how we are spending their hundreds of millions of dollars each year.

Mr. LEHLBACH. Now will the gentleman yield?

Mr. BLANTON. Certainly, because I am not going to take advantage of the gentleman.

Mr. LEHLBACH. Has the gentleman ever been unable to get a copy of an appropriation bill that was pending?

Mr. BLANTON. Many times the supply has been exhausted at the document room. I warrant that you can not go right now and get an appropriation bill of three years ago.

Mr. LEHLBACH. I said one that was pending.

Mr. BLANTON. No; because I usually get a copy as soon as they are printed.

Mr. LEHLBACH. If the gentleman wants to refer to them in the future, why does he not save them in his files?

Mr. BLANTON. Oh, my office is so full of printed files now that I have to throw away a lot of it every morning in order to be able to have plenty of room to turn around.

Mr. LEHLBACH. Can the gentleman in his six or eight years of incumbency as a Member of this House show 20 letters from constituents requesting a copy of an appropriation bill?

Mr. BLANTON. Mr. Chairman, I ask unanimous consent right now that I may put into the RECORD letters, and I will not put in any from Democrats—I will guarantee I will not put in a one from Democrats—but I ask unanimous consent to put in the RECORD all of the letters I have received from Republicans only over the United States during the last 30 days indorsing my stand about putting these bills in the RECORD since I first began my fight to have it done.

Mr. LEHLBACH. Oh, no; I asked the gentleman this question.

Mr. BLANTON. Will the gentleman let me do that? I ask unanimous consent to be allowed to do that.

Mr. LEHLBACH. One moment. I asked the gentleman this question: How many letters the gentleman had received asking for copies of appropriation bills?

Mr. BLANTON. They do not write me for the appropriation bills because they do not know that we could send them, and they should not be compelled to write a Congressman, as a copy of the bill itself to citizens would be too expensive. I want to say this: I honestly believe that I have received a small basket full of letters from prominent citizens saying, in substance: "BLANTON, keep up your fight to put those bills in the RECORD. Keep it up; we are entitled to know about it, and don't you let them keep those bills out. We want to see how our money is spent."

Mr. LEHLBACH. Will the gentleman yield for this observation?

Mr. BLANTON. Yes; in a moment; but wait, I want to get my unanimous-consent request through.

Mr. LEHLBACH. Does not the gentleman know there are not 100 men in the United States who would read the bills if you printed them?

The CHAIRMAN. Does the gentleman wish to prefer a unanimous request?

Mr. BLANTON. Mr. Chairman, I ask unanimous consent, confining it to letters from Republicans only, that I may put into the RECORD all such letters I have received indorsing my fight on this proposition, from men whom I know or ascertain to be Republicans in the country.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD as indicated. Is there objection?



Mr. LEHLBACH. Reserving the right to object, Mr. Chairman—

Mr. BLANTON. Mr. Chairman, this does not come out of my time, does it?

Mr. LEHLBACH. If you submit a unanimous-consent request, it does.

The CHAIRMAN. If the gentleman prefers a unanimous-consent request, the Chair thinks it would.

Mr. BLANTON. I do not want it to come out of my time.

The CHAIRMAN. Is there objection?

Mr. LEHLBACH. Reserving the right to object—

Mr. BLANTON. Mr. Chairman, I will withdraw the request if the gentleman from New Jersey [Mr. LEHLBACH] is going to take up all my time with reservations and then object.

Mr. LA GUARDIA. Now will the gentleman yield?

The CHAIRMAN. Does the gentleman yield to the gentleman from New York?

Mr. BLANTON. In just a few moments.

Oh, I wish I had time to show the many big wastes that the gentleman has voted for that have taken big sums of money out in the hundreds of thousands of dollars. I will tell you what the gentleman will do, and you watch. It will not be a week before there will be a resolution here on this floor to vote out not a little measly \$9,000, the total cost of printing all these 10 supply bills in the RECORD, according to the gentleman's own estimate, but there will be a resolution here to vote \$100,000 of the people's money to inaugurate a President, when he could be inaugurated here in this Chamber without costing a single dollar.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Will the gentleman yield me two more minutes?

Mr. OLIVER of Alabama. I am sorry that my time is all taken up.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. The time has been fixed by agreement.

Mr. BLANTON. But you can do anything by unanimous consent.

Mr. LEHLBACH. Mr. Chairman, we can not vary the instructions of the House in committee.

The CHAIRMAN. No; that can not be done.

Mr. BLANTON. The gentleman from New Jersey will vote for that \$100,000 parade, but wants to save this \$9,000.

Mr. LEHLBACH. Yes; I think it is necessary to inaugurate a President, but I do not think it is necessary to print these bills.

Mr. OLIVER of Alabama. Mr. Chairman, I yield nine minutes to the gentleman from Missouri [Mr. Jost].

Mr. JOST. Mr. Chairman, in the nine minutes allotted to me I wish to divert the attention of the House from the matter of dollars to a subject that should, and I believe will, touch the hearts of Members. A large number of splendid women in my city and district belonging to various patriotic organizations, many of them war mothers and quite a few wearing the honorable insignia of the gold star, have importuned me to say a word to you in behalf of two bills in which they are deeply interested. I did not introduce either of these measures, but I find on examination that I am in hearty sympathy with the objects sought to be obtained by each of them.

One of them is House bill 9095, introduced by the gentleman from Pennsylvania [Mr. GRAHAM], and has for its purpose giving corporate status to the War Mothers' Society. It is No. 201 on the House Calendar. The second is House bill 9538, introduced by the gentleman from Illinois [Mr. MCKENZIE], and is 365 on the Union Calendar. The object of that bill is to allow, at Government expense, the mothers of deceased World War veterans to visit the graves of their sons whose bodies still rest in foreign graves.

The first of these measures I have referred to bears the favorable report of the Committee on the Judiciary, and the second has the favorable report of the Committee on Military Affairs. The first will not cost the Government one cent. It merely gives corporate existence to a war-time society and is in line with like action taken with reference to other similar organizations. The second of these measures, according to the report of the Committee on Military Affairs, will cost the Government \$3,292,776 to allow 7,600 mothers to visit the graves of their sons in Europe.

But the cost is really nothing if it be borne in mind that those same mothers were entitled to have the bodies of their

dead boys exhumed and transported to and reinterred in the United States at Government expense. If you wish to be mercenary about the matter, which I know you do not, the passage of this bill will cost the Government less than to bring the bodies of those dead soldiers back here. Moreover, there are those who hold to the thought that the proper resting place of a soldier is where he won a glorious death. Evidently those 7,600 mothers so think, and I with all my heart agree with them.

A former Congress has reimbursed sugar brokers and war contractors in huge amounts for losses sustained under war contracts. As a Member of this House I have sat here for days listening to arguments in favor of claims against the Government, asserted by those who seek to be indemnified on account of war losses under various war contracts and in behalf of others who suffered by the conduct of the Government during the war. But, gentlemen, are dollars all there is in this world? Was property only involved in the World War? Did human flesh and suffering count for nothing? Are the tears and mental anguish of the mothers of this land, whose heartstrings were cut by German bullets, of no consequence? Does the jingle of gold and silver interest this Congress more than the heavy heart of a mother who, after having gone down into the valley and risked her life, finds the fruit of her suffering cut down in the morning of his existence, and in a grave which for lack of means she has never seen? Is human feeling numb in this House? Have we so trained our minds to think in terms of money that humanitarian problems cease to have any meaning to us? Who was it that suffered sleepless nights during the late war and was up at the break of dawn and out in the yard waiting the coming of the morning paper to read the casualty lists? It was not the sugar broker, it was not the horse and mule buyer, it was not the speculator in war provisions. Nay, it was none of those. It was the frail, nervous little mother who was out there reaching, atremble, for that paper, hesitant to read it even when she picked it up for fear that the name of her boy might be in the list. And yet we are ready to hear and to push and allow indemnity claims on our calendar, the while remaining indifferent to the plaintive requests of these mothers.

Mr. LA GUARDIA. Mr. Chairman, will the gentleman yield?

Mr. JOST. My time is about up.

Mr. LA GUARDIA. I introduced a bill in the Sixty-sixth Congress upon that subject and could not even get a hearing upon it.

Mr. JOST. Mr. Chairman, it has somehow slipped our minds that it was the mothers of this land who furnished the millions of soldiers for the American battle line [applause], and that it was their contribution, their sacrifice, and their sorrow that made the Stars and Stripes triumphant. And what do they ask? Not money, for theirs was a gift to the Nation. They do not seek indemnity, because theirs was a loss which can not be measured in dollars. They ask by the first of the bills to which I have referred merely national recognition of their association. By the second they seek to have accorded to each sorrowing mother whose boy still sleeps in Flanders Field the poor and sad privilege to go there and embrace the earth that incloses his silent and wasting form and cry over it a little while. The request is one which should be honored without hesitation in the performance of a solemn and sacred duty. It is such a plea as should have paralyzed the thought and action of this House as to all else until granted. Not another piece of legislative business should be transacted until, by the passage of these two measures, this Congress, speaking for the people of the Nation, has paid a fitting tribute to the mother love of this country. [Applause.]

There should be no objection to the immediate consideration and passage of these bills. What do the rules of the House amount to against a manifest obligation of the Government to its Gold Star Mothers? Pause and reflect my colleagues. The American Army was flesh of their flesh and bone of their bone. Every bullet that struck an American boy at the same moment pierced the breast of his good mother. Oh, what an overwhelming duty we owe to her who laid and lost upon the altar of this Republic the immediate jewel of her life. She it was who paid the price of victory. The sympathy and the gratitude of the Nation should be hers without the asking. She has won a higher rank than that of a suppliant.

Think of this one moment more, I pray you. Of all the splendid relationships you have known in life is there any one of them that can transcend that which sprung from the travail of her who first put her arms about you? Is there any other word in the English language that gathers and expresses more

of life than the word "mother"? Is there anything so pure and so sweet as a mother's kiss? Is there any interest so unselfish and so genuinely true as that of a mother? Surely he who has been warmed as a boy and into manhood by a mother's love is blessed of God. The snapping of the relationship when it is in full bloom is tragic, and engenders a sadness which clings to the survivor through life. To me the world never held a more precious treasure than my mother. I lost her in my babyhood, but my constant hunger for her lips and arms, even to this day, makes me sure that a more noble and finer creature never graced this earth. Please gentlemen, be considerate of and just to the mothers of our soldier dead. May I not ask you again to interest yourselves in the bills to which I have referred, and may I not also declare my conviction that to adjourn without passing them will eternally disgrace this Congress.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

The CHAIRMAN. All time has expired. The Clerk will read the bill for amendment under the five-minute rule.

The Clerk read as follows:

*Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1926, namely:*

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: Beginning on page 1, line 3, strike out the paragraph.

Mr. BLANTON. Mr. Chairman, under the rules of the House, whenever a motion is made to strike out a paragraph, that paragraph of the bill goes into the RECORD and is printed. There are 262 paragraphs in this bill. By making a motion just after each one of them is read to strike out the paragraph one forces automatically the printing of these paragraphs of the bill into the RECORD. I do not like to be captious with my colleagues or to make them dislike me—I prefer to have them like me—but I never shrink from doing my duty. I feel it is my duty to try to have these supply bills printed in the RECORD, and under the rules I can force them to be printed in the RECORD by moving to strike out each paragraph. I am going to do it, and if I lose the friendship of my colleagues by

doing so I shall regret it. When I can do it—and I am going to do it, and you can not keep me from it—why not be reasonable and conciliate with me and agree that the whole bill shall go in now without all these 262 motions?

Would not that be the sensible plan? I am coming to you from a reasonable and common-sense standpoint and asking you to do it. I am asking you on behalf of the Republican taxpayers of this country, who want to know just as much as do Democrats, what are in these supply bills that take nearly \$4,000,000,000 of their tax money and spend same every year. It is not for Democrats particularly, but for Democrats and Republicans. Some of the strongest supporters I have in my district and in my State and in our Nation are Republicans, lifelong, orthodox Republicans, yet they indorse my work here. They have a right to know what is in these bills. Whenever you put these 10 supply bills we pass every year, embracing nearly \$4,000,000,000, in the RECORD there are 40,000 copies of it distributed to the country newspapers and prominent men in our districts, because we send them to prominent people, who read them, and they have a right to know what is in these bills. Now, I submit to the steering committee of the Republican Party, is not that a fair request, and according to the gentleman's own estimate the whole amount for all the supply bills will not be but \$9,000, when you spend hundreds of thousands of dollars every day for this and that?

One of these bills embraced \$763,000,000. Is not that a reasonable request? I submit it to you gentlemen. Mr. Chairman, I ask unanimous consent that at this point, in lieu of the remarks I have just made, that the balance of the bill be printed in the RECORD consecutively with the first paragraph.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the balance of the bill be printed in the RECORD. Is there objection?

Mr. FAIRCHILD. Mr. Chairman, I object.

Mr. SHREVE. Mr. Chairman, I move that the committee do now rise.

Mr. HILL of Maryland. Will the gentleman withhold that for a moment?

Mr. SHREVE. I will.

Mr. HILL of Maryland. Mr. Chairman, I simply want to ask unanimous consent to put in the RECORD at this point as a part of my remarks two tables from the hearings. That is all.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent to extend his remarks at this point in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The tables are as follows:

TABLE A.—Comparison of business and expenditures, Department of Justice and United States courts  
[Includes United States civil cases, United States criminal cases, suits to which United States is not a party, and bankruptcy]

Business United States District courts	1912	1913	1914	1915	1916	1917	1918
Cases commenced.....	50,691	52,618	57,645	62,768	64,963	62,017	72,237
Increase over preceding year:							
Number of cases.....		1,927	5,028	5,122	2,195	-2,946	10,226
Per cent.....		3.8	9.5	8.8	3.5	-4.5	16.4
Cases terminated.....	46,648	53,450	56,336	60,393	75,502	65,955	85,441
Increase over preceding year:							
Number of cases.....		6,802	2,886	4,057	15,109	-9,547	19,486
Per cent.....		14.5	5.4	7.1	25	-15.6	29.5
Number of cases pending close of year.....	102,299	102,012	120,208	132,102	129,421	118,926	100,359
Total expenditures.....	\$10,196,572.91	\$10,494,660.54	\$10,735,918.62	\$10,763,227.95	\$10,825,533.92	\$10,970,525.06	\$13,439,272.25
Increase over preceding year:							
Amount.....		\$298,087.63	\$241,258.06	\$27,309.33	\$62,305.97	\$144,991.14	\$2,518,747.19
Per cent.....		2.9	2.3	0.20	0.58	1.3	22.9
Special items.....							\$783,320.19
Business United States District courts	1919	1920	1921	1922	1923	1924	
Cases commenced.....	80,291	91,254	109,474	130,632	143,095	147,893	
Increase over preceding year:							
Number of cases.....		8,054	10,963	18,220	21,158	12,463	4,803
Per cent.....		11.1	13.6	19.9	19.3	9.5	3.3
Cases terminated.....	83,422	68,735	85,886	101,838	131,469	146,590	
Increase over preceding year:							
Number of cases.....		-2,019	-14,687	16,951	16,152	29,631	15,121
Per cent.....		-2.3	-17.6	24.7	18.8	29.1	11.5
Number of cases pending close of year.....	96,255	118,744	147,402	167,445	179,346	179,194	
Total expenditures.....	\$15,096,765.91	\$16,557,362.44	\$17,424,148.79	\$17,531,250.01	\$21,619,116.02	\$21,104,633.25	
Increase over preceding year:							
Amount.....		\$1,607,493.05	\$1,460,595.53	\$369,786.35	\$107,101.22	\$4,087,860.01	\$514,482.77
Per cent.....		11.9	9.6	52.2	0.61	23.25	2.4
Special items.....		\$1,122,574.11	\$772,269.49	\$787,270.52	\$785,735.71	\$756,494.19	\$853,652.30

<sup>1</sup> Increase 1923 over 1922, excluding \$2,000,000 strike expenses in 1923, \$2,067,866.01; per cent, 11.9.

<sup>2</sup> Increase 1924 over 1923, excluding \$2,000,000 strike expenses in 1923, \$1,455,517.23; per cent, 7.5.



TABLE B.—Statement showing cases commenced, terminated, etc., under the national prohibition act

	1920	1921	1922	1923	1924	Total
<b>CIVIL CASES TO WHICH THE UNITED STATES WAS A PARTY</b>						
1. Number of civil cases pending at beginning of fiscal year to which the United States was a party		551	2,074	2,625	4,140	14,618
2. Number of civil cases commenced during the fiscal year	611	1,898	2,157	4,109	5,741	9,131
3. Number of civil cases terminated during the same period	92	622	1,537	2,670	4,210	9,131
4. Judgment for the United States	80	466	1,207	1,925	3,242	6,923
5. Judgment against the United States	10	34	141	232	244	601
6. Dismissed or discontinued after payment or compromise	1	23	17	44	80	165
7. Dismissed or discontinued for other reasons	1	99	172	465	644	1,382
8. Appealed to Circuit Court of Appeals	1	18	9	54	71	153
9. Appealed to Supreme Court	1	1	1	15	8	26
10. Number of trials by jury	1	77	81	221	506	886
11. Number of civil cases pending close of fiscal year	519	1,827	2,694	4,064	5,671	
12. Aggregate amount of judgments obtained during the year in favor of the United States	\$3,396.68	\$64,735.48	\$120,255.29	\$170,298.98	\$221,005.51	\$579,691.94
13. Amount realized from such judgments obtained during the year	\$2,163.40	\$55,954.70	\$100,176.51	\$89,289.80	\$147,319.37	\$394,903.78
14. Amount realized from old judgments, settlements by compromises, etc.		8,014.43	17,923.20	33,395.45	96,653.81	155,986.89
15. Amount paid through United States Attorney, on demand, in cases where no actual civil suit was commenced		2,800.00	3,641.00	22,657.15	12,410.00	41,508.15
Total collections	2,163.40	66,769.13	121,740.71	145,342.40	256,383.18	592,398.82
<b>CRIMINAL PROSECUTIONS</b>						
16. Number of criminal prosecutions pending at beginning of fiscal year		2,548	10,472	16,761	23,060	166,288
17. Number of criminal prosecutions commenced during the fiscal year	7,291	29,114	34,984	49,021	45,878	144,747
18. Number of criminal prosecutions terminated during the same period	5,095	21,297	28,743	42,730	46,609	111,627
19. Number of convictions	4,315	17,962	22,749	34,067	37,181	5,869
20. Number of acquittals	125	765	1,195	1,770	1,754	16,564
21. Number of nol. pros. or discontinued	623	2,179	3,549	4,857	5,356	6,027
22. Number quashed or dismissed on motion, demurrer, etc.	32	391	1,250	2,036	2,318	105,778
23. Number of pleas of guilty	4,109	16,610	20,571	30,654	33,834	15,775
24. Number of trials by jury	332	2,075	3,346	4,805	5,217	
25. Number of criminal prosecutions pending close of fiscal year	2,196	10,365	16,713	23,052	22,329	
26. Aggregate amount of fines, forfeitures, and penalties imposed during the year	\$905,314.52	\$3,360,298.46	\$4,041,456.03	\$5,832,491.18	\$7,487,235.19	\$21,326,795.28
27. Amount realized on fines, forfeitures, and penalties imposed during the year and former years	\$507,482.70	\$2,418,117.55	\$2,376,305.20	\$4,023,466.24	\$5,026,899.17	\$14,352,270.86
28. Collected without prosecution			846.95	144,513.63	84,052.65	229,413.23
Total collections	507,482.70	2,418,117.55	2,377,152.15	4,167,979.87	5,110,951.82	14,581,684.09

Mr. SHREVE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 11753, had come to no resolution thereon.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to the following:

Mr. WELLER, for one week, on account of important business.

Mr. CANFIELD, for one week, on account of important business.

#### PACIFIC COMMISSARY CO.

Mr. STRONG of Kansas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 2357, insist upon the House amendments, and agree to a conference.

The SPEAKER. The gentleman from Kansas asks unanimous consent to take from the Speaker's table, to insist on the House amendments, and agree to the conference asked by the Senate, the bill which the Clerk will report by title.

The Clerk read as follows:

An act (S. 2357) for the relief of the Pacific Commissary Co.

The SPEAKER. Is there objection?

Mr. SNELL. Will the gentleman yield?

Mr. STRONG of Kansas. I will.

Mr. SNELL. What was the amendment put on by the Senate?

Mr. STRONG of Kansas. The House reduced the amount considerably and the Senate insisted upon its amount.

Mr. SNELL. I know something about this, having once considered it in the gentleman's committee, and I hope the gentleman will insist on his position.

The SPEAKER. The Clerk will report the conferees.

The Clerk read as follows:

Mr. STRONG of Kansas, Mr. WILLIAMS of Michigan, and Mr. O'BRIEN.

#### AGRICULTURAL APPROPRIATION BILL—CONFERENCE REPORT

Mr. MAGEE of New York. Mr. Speaker, I present a conference report on the Agricultural appropriation bill for the fiscal year ending 1926 for printing under the rule.

The SPEAKER. The Clerk will report the bill by title. The Clerk read as follows:

A bill (H. R. 10404) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1926, and for other purposes.

The SPEAKER. Ordered printed under the rule.

Mr. GARRETT of Tennessee. Is this the complete agreement?

Mr. MAGEE of New York. Yes.

#### ADJOURNMENT

Mr. SHREVE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 21, 1925, at 12 o'clock noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

799. A letter from the Sergeant at Arms of the House of Representatives, transmitting a statement of receipts and disbursements of money through his hands December 1, 1923, to December 1, 1924, and a statement of property in his charge December 1, 1924; to the Committee on Accounts.

800. A letter from the chairman of the Interstate Commerce Commission, transmitting report for the month of December, 1924, showing the condition of railroad equipment in the United States; to the Committee on Interstate and Foreign Commerce.

801. A letter from the Secretary of War, transmitting a letter of the Chief of Engineers, dated January 7, 1925, inclosing a report by the Board of Road Commissioners for Alaska on a survey, including plans and estimates of cost, for the construction of a Government dock or wharf at Juneau, Alaska (H. Doc. No. 561); to the Committee on the Merchant Marine and Fisheries and ordered to be printed, with illustrations.

802. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Tillamook Bay and entrance, Oreg. (H. Doc. No. 562); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. DALLINGER: Committee on Education. H. R. 10604. A bill to amend section 8 of an act entitled "An act to incorporate the Howard University in the District of Columbia," approved March 2, 1867; without amendment (Rept. No. 1258). Referred to the Committee of the Whole House on the state of the Union.

Mr. MOORES of Indiana: Committee on Foreign Affairs. S. 2506. An act authorizing an appropriation for the payment of claims arising out of the occupation of Vera Cruz, Mexico, by American forces in 1914; without amendment (Rept. No. 1261). Referred to the Committee of the Whole House on the state of the Union.

Mr. WINSLOW: Committee on Interstate and Foreign Commerce. S. 76. An act to create a bureau of aeronautics in the Department of Commerce, to encourage and regulate the operation of civil aircraft in commerce, and for other purposes; with an amendment (Rept. No. 1262). Referred to the Committee of the Whole House on the state of the Union.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. LOWRY: Committee on War Claims. H. R. 11009. A bill for the relief of James M. Connor; without amendment (Rept. No. 1259). Referred to the Committee of the Whole House.

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 10535. A bill authorizing the Secretary of War to convey to the Federal Land Bank, of Baltimore, Md., the tract of land situated in the city of San Juan, island of Porto Rico; with amendments (Rept. No. 1260). Referred to the Committee of the Whole House.

## PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ELLIOTT: A bill (H. R. 11791) to provide for the construction of certain public buildings, and for other purposes; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 11792) to increase the pension of those who have lost limbs or have been totally disabled in the same, or have become totally blind, in the military or naval service of the United States during the Civil War; to the Committee on Invalid Pensions.

By Mr. WILLIAMS of Michigan: A bill (H. R. 11793) to amend section 5 of an act entitled "An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914; to the Committee on Interstate and Foreign Commerce.

By Mr. DYER: A bill (H. R. 11794) extending the limitations of time upon the issuance of medals of honor, distinguished-service crosses, and distinguished-service medals; to the Committee on Military Affairs.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 11795) to create a waterways and water resources commission; to the Committee on Flood Control.

By Mr. HOLADAY: A bill (H. R. 11796) to provide for the deportation of certain aliens, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. WHITE of Maine: A bill (H. R. 11797) authorizing the reorganization and consolidation of the bureau, offices, and other branches of the public service, including the Department of Commerce, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. SMITH: A bill (H. R. 11798) to pension soldiers who were in the military service of the United States during the period of Indian wars, campaigns, and disturbances, and the widows, minors, and helpless children of such soldiers, and to increase the pensions of Indian war survivors and widows; to the Committee on Pensions.

By Mr. LUCE: A bill (H. R. 11799) to secure a replica of the Houdon bust of Washington for lodgment in the Pan American Building; to the Committee on the Library.

By Mr. ACKERMAN: Resolution (H. Res. 409) providing additional compensation to the special employee under the Door-keeper of the House; to the Committee on Accounts.

By Mr. THOMAS of Oklahoma: Memorial of the Senate of the State of Oklahoma urging Congress to pass S. 33, relating to retirement of disabled emergency Army officers; to the Committee on Military Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG: A bill (H. R. 11800) granting an increase of pension to Mary A. Jones; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11801) granting an increase of pension to Mary M. Maloney; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 11802) granting an increase of pension to Anna M. Myers; to the Committee on Pensions.

By Mr. DRIVER: A bill (H. R. 11803) granting an increase of pension to Nancy McKinzie; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 11804) granting a pension to Ida May Hassler; to the Committee on Pensions.

By Mr. GIBSON: A bill (H. R. 11805) granting an increase of pension to Louise M. Prouty; to the Committee on Invalid Pensions.

By Mr. HICKEY: A bill (H. R. 11806) for the relief of Thomas N. Swearingen; to the Committee on Military Affairs.

By Mr. HOWARD of Oklahoma: A bill (H. R. 11807) for the relief of L. A. O'Brien; to the Committee on Claims.

By Mr. MANLOVE: A bill (H. R. 11808) granting a pension to Alpha M. Jackson; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 11809) for the relief of Lillie M. Watson; to the Committee on Claims.

By Mr. REED of New York: A bill (H. R. 11810) granting an increase of pension to Margaretta E. Mower; to the Committee on Invalid Pensions.

Also, a bill (H. R. 11811) granting an increase of pension to Lucinda Dye; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 11812) granting an increase of pension to Eva B. Lynch; to the Committee on Invalid Pensions.

By Mr. TILLMAN: A bill (H. R. 11813) for the relief of J. V. Crain; to the Committee on Claims.

By Mr. WATSON: A bill (H. R. 11814) granting an increase of pension to Annie Tibbills; to the Committee on Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3494. By the SPEAKER (by request): Petition of citizens of Porto Rico, urging Congress to approve legislation providing for the election of governor in Porto Rico; to the Committee on Insular Affairs.

3495. By Mr. COOK: Petition of Federated Council of Clubs, of Logansport, Ind., in relation to participation in World Court; to the Committee on Foreign Affairs.

3496. By Mr. EVANS of Iowa: Petition of citizens of Osceola, Iowa, opposing the enactment of Senate bill 3218, compulsory Sunday observance bill; to the Committee on the District of Columbia.

3497. By Mr. GALLIVAN: Petition of F. L. Dunne & Co., Boston, Mass., indorsing Postmaster General's recommendation for increase in all classes of mail excepting first class; to the Committee on the Post Office and Post Roads.

3498. By Mr. SITES: Papers to accompany House bill 11782, granting a pension to Frank L. Rider; to the Committee on Invalid Pensions.

3499. By Mr. SPEAKS: Papers to accompany House bill 11785, granting an increase of pension to Jane Leist; to the Committee on Invalid Pensions.

3500. By Mr. WYANT: Petition of Chamber of Commerce of Pittsburgh, Pa., relative to the Gooding bill, S. 2327; to the Committee on Interstate and Foreign Commerce.

## SENATE

WEDNESDAY, January 21, 1925

(Legislative day of Tuesday, January 20, 1925)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House insisted upon its amendment to the bill (S. 2357) for the relief of the Pacific Commissary Co., disagreed to by the Senate; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STRONG of Kansas, Mr. WILLIAMS of Michigan, and Mr. O'BRIEN were appointed managers on the part of the House at the conference.